

FIFTY NINTH LEGISLATURE - REGULAR SESSION

FORTY SIXTH DAY

House Chamber, Olympia, Thursday, February 23, 2006

The House was called to order at 10:00 a.m. by the Speaker (Representative Morris presiding). The Clerk called the roll and a quorum was present.

The flag was escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Matt McIntire and Matt Kristiansen. The Speaker (Representative Morris presiding) led the Chamber in the Pledge of Allegiance. Prayer was offered by Pastor Paul Lundborg, Lutheran Church of the Good Shepherd.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

**MESSAGE FROM THE SENATE**

February 22, 2006

Mr. Speaker:

The Senate has passed:

ENGROSSED SENATE BILL NO. 5319,  
 SENATE BILL NO. 6379,  
 SENATE BILL NO. 6680,  
 SUBSTITUTE SENATE BILL NO. 6686,  
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6787,

and the same are herewith transmitted.

Thomas Hoemann, Secretary

**RESOLUTION**

HOUSE RESOLUTION NO. 2006-4706, By Representative Schual-Berke and Talcott

WHEREAS, Congress has recognized the third week in April as National Shaken Baby Awareness Week; and

WHEREAS, Shaken Baby Syndrome is known as the leading cause of death among physically abused children; and

WHEREAS, Shaken Baby Syndrome is a totally preventable form of child abuse, caused by a caregiver losing control and shaking a baby who is usually under the age of two years; and

WHEREAS, Characteristics of Shaken Baby Syndrome are subdural hemorrhages, damage to the spinal cord and neck, and fractures of the ribs and bones; these injuries may not be immediately noticeable; and

WHEREAS, Symptoms of Shaken Baby Syndrome are extreme irritability, lethargy, poor feeding or sucking, breathing problems, convulsions, vomiting, pale or bluish skin, and a coma; and

WHEREAS, Medical professionals believe that thousands of cases of Shaken Baby Syndrome are being misdiagnosed or not detected; and

WHEREAS, Shaken Baby Syndrome results in permanent and irreversible brain damage or death to an infant and may result in more than \$1,000,000 in medical costs to care for a single, disabled child in just the first year of life; and

WHEREAS, Prevention of Shaken Baby Syndrome includes early recognition of child abuse, parenting support through classes, education of health care personnel and family members, stress reduction for parents, and careful evaluation of those outside the family who take care of children; and

WHEREAS, Efforts to prevent Shaken Baby Syndrome are supported by advocacy groups across the United States that were formed by parents and relatives of children who have been killed or injured by shaking, such as The National Shaken Baby Coalition, The Shaken Baby Association, The Skipper (Shaking Kills: Instead Parents Please Educate and Remember) Initiative, Shaken Baby Alliance, Shaken Baby Prevention, Inc., A voice for Gabbie, Don't Shake Jake, and the Kierra Harrison Foundation, whose mission is to educate the general public and professionals about Shaken Baby Syndrome and to increase support for victims and victims' families in the health care and criminal justice system;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State House of Representatives honor the efforts of those who advocate on behalf of victims of Shaken Baby Syndrome during National Shaken Baby Awareness Week, the third week in April, by encouraging the people of Washington State to remember the victims of Shaken Baby Syndrome and to participate in educational programs to help prevent Shaken Baby Syndrome.

Representative Schual-Berke moved the adoption of the resolution.

Representatives Schual-Berke spoke in favor of the adoption of the resolution.

HOUSE RESOLUTION NO. 4706 was adopted.

**INTRODUCTION & FIRST READING**

HB 3315 by Representatives Murray and Woods

AN ACT Relating to the issuance of general obligation bonds for state highway improvement projects; and adding new sections to chapter 47.10 RCW.

Referred to Committee on Transportation.

HB 3316 by Representatives Dunshee, Linville, Grant and Kessler

AN ACT Relating to authorizing state general obligation bonds for correctional facilities, Hood Canal and Puget Sound rehabilitation, and the Columbia river basin water supply development program; adding new chapters to Title 43 RCW; and declaring an emergency.

Referred to Committee on Capital Budget.

ESB 5319 by Senators Oke, Doumit, Roach, Hargrove, Honeyford, Swecker, Schoesler, Rasmussen, Berkey, Delvin, Morton, Regala, Sheldon, Stevens, Johnson and Mulliken

AN ACT Relating to trapping; amending RCW 77.08.010, 77.15.194, 77.65.450, 77.65.460, 77.32.545, and 77.15.198; adding new sections to chapter 77.12 RCW; repealing RCW 77.15.192; and declaring an emergency.

Referred to Committee on Natural Resources, Ecology & Parks.

SB 6379 by Senators Poulsen, Morton, Fraser, Finkbeiner, Rockefeller and Rasmussen; by request of Department of Community, Trade, and Economic Development

AN ACT Relating to temporarily increasing the statewide cap for the public utility tax credit provided by RCW 82.16.0497; amending RCW 82.16.0497; and providing an effective date.

Referred to Committee on Finance.

SB 6680 by Senators Brandland, Haugen and Rasmussen

AN ACT Relating to a biometric matching system for driver's licenses and identicards; and amending RCW 46.20.037.

Referred to Committee on Transportation.

SSB 6686 by Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Esser, Kastama, Johnson, Kline, Finkbeiner, Weinstein, Keiser, Berkey and McAuliffe)

AN ACT Relating to authorizing a local sales and use tax that is credited against the state sales and use tax; and adding a new section to chapter 82.14 RCW.

Referred to Committee on Finance.

ESSB 6787 by Senate Committee on Ways & Means (originally sponsored by Senators Rockefeller, Poulsen, Haugen and Oke)

AN ACT Relating to local government passenger ferry service funding; amending RCW 47.60.645, 36.54.110, and 36.54.130; adding new sections to chapter 47.60 RCW; adding a new section to chapter 36.78 RCW; creating new sections; and providing an expiration date.

Referred to Committee on Transportation.

There being no objection, the bills listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

#### REPORTS OF STANDING COMMITTEES

February 21, 2006

ESB 5048 Prime Sponsor, Senator Oke: Prohibiting tobacco product sampling. Reported by Committee on Health Care

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander; Appleton; Bailey; Clibborn; Condotta; Green; Lantz; Moeller; Morrell; Schual-Berke and Skinner.

Passed to Committee on Rules for second reading.

February 22, 2006

ESSB 5385 Prime Sponsor, Senate Committee On Natural Resources, Ocean & Recreation: Creating the Washington invasive species council. Reported by Committee on Natural Resources, Ecology & Parks

MAJORITY recommendation: Do pass as amended:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that:

(1) The land, water, and other resources of Washington are being severely impacted by the invasion of an increasing number of harmful invasive plant and animal species.

(2) These impacts are resulting in damage to Washington's environment and causing economic hardships.

(3) The multitude of public and private organizations with an interest in controlling and preventing the spread of harmful invasive species in Washington need a mechanism for cooperation, communication, collaboration, and developing a statewide plan of action to meet these threats.

**NEW SECTION. Sec. 2.** (1) There is created the Washington invasive species council to exist until December 31, 2011. Staff support to the council shall be provided by the committee and from the agencies represented on the council. For administrative purposes, the council shall be located within the committee.

(2) The purpose of the council is to provide policy level direction, planning, and coordination for combating harmful invasive species throughout the state and preventing the introduction of others that may be potentially harmful.

(3) The council is a joint effort between local, tribal, state, and federal governments, as well as the private sector and nongovernmental interests. The purpose of the council is to foster cooperation, communication, and coordinated approaches that support local, state, and regional initiatives for the prevention and control of invasive species.

(4) For the purposes of this chapter, "invasive species" include nonnative organisms that cause economic or environmental harm and are capable of spreading to new areas of the state. "Invasive species" does not include domestic livestock, intentionally planted agronomic crops, or nonharmful exotic organisms.

**NEW SECTION. Sec. 3.** (1) Membership in the council includes a representative from the following entities:

(a) The department of agriculture, represented by the director or the director's designee;

(b) The department of fish and wildlife, represented by the director or the director's designee;

(c) The department of ecology, represented by the director or the director's designee;

(d) The department of natural resources, represented by the commissioner or the commissioner's designee;

(e) The department of transportation, represented by the secretary or the secretary's designee;

(f) The Washington state noxious weed control board, appointed by the board;

(g) A county located east of the crest of the Cascade mountains, appointed by the other members of the council; and

(h) A county located west of the crest of the Cascade mountains, appointed by the other members of the council.

(2) The councilmembers may add members to the council as the councilmembers deem appropriate to accomplish its goals.

(3) The council must invite one representative each from the United States department of agriculture, the United States fish and wildlife service, the United States environmental protection agency, and the United States coast guard to participate on the council in a nonvoting, ex officio capacity.

(4) A representative of the office of the governor must convene the first meeting of the council and serve as chair until the council selects a chair. At the first meeting of the council, the council shall address issues including, but not limited to, voting methods, meeting schedules, and the need for and use of advisory and technical committees.

**NEW SECTION. Sec. 4.** The council's goals are to:

(1) Minimize the effects of harmful invasive species on Washington's citizens and ensure the economic and environmental well-being of the state;

(2) Serve as a forum for identifying and understanding invasive species issues from all perspectives;

(3) Serve as a forum to facilitate the communication, cooperation, and coordination of local, tribal, state, federal, private, and nongovernmental entities for the prevention, control, and management of nonnative invasive species;

(4) Serve as an avenue for public outreach and for raising public awareness of invasive species issues;

(5) Develop and implement a statewide invasive species strategic plan as described in this chapter;

(6) Review the current funding mechanisms and levels for state agencies to manage noxious weeds on the lands under their authority;

(7) Make recommendations for legislation necessary to carry out the purposes of this chapter;

(8) Establish criteria for the prioritization of invasive species response actions and projects; and

(9) Utilizing the process described in subsection (8) of this section, select at least one project per year from the strategic plan for coordinated action by the Washington invasive species councilmember entities.

**NEW SECTION. Sec. 5.** (1) The council shall develop and periodically update a statewide strategic plan for addressing invasive species. The strategic plan should incorporate the reports and activities of the aquatic nuisance species committee, the state noxious weed control board, and other appropriate reports and activities. In addition, the council must coordinate with the biodiversity council created in Executive Order 04-02 to ensure that a statewide strategy for the control of invasive species is integrated into the thirty-year strategy for biodiversity conservation that the biodiversity council must submit to the legislature in 2007.

(2) The strategic plan must, at a minimum, address:

(a) Statewide coordination and intergovernmental cooperation;

(b) Prevention of new biological invasions through deliberate or unintentional introduction;

(c) Inventory and monitoring of invasive species;

(d) Early detection of and rapid response to new invasions;

(e) Control, management, and eradication of established populations of invasive species;

(f) Projects that can be implemented during the period covered by the strategic plan for the control, management, and eradication of new or established populations of invasive species;

(g) Revegetation, reclamation, or restoration of native species following control or eradication of invasive species;

(h) Tools that can be made available to assist state agencies that are responsible for managing public land to control invasive noxious weeds and recommendations as to how the agencies should be held responsible for the failure to control invasive noxious weeds;

(i) Research and public education;

(j) Funding and resources available for invasive species prevention, control, and management; and

(k) Recommendations for legislation necessary to carry out the purposes of this chapter.

(3) The strategic plan must be updated at least once every three years following its initial development. The strategic plan must be submitted to the governor and appropriate committees of the legislature by September 15th of each applicable year. The council shall complete the initial strategic plan within two years of the effective date of this section.

(4) Each state department and agency named to the council shall, consistent with state law, make best efforts to implement elements of the completed plan that are applicable to the department or agency.

**NEW SECTION. Sec. 6.** (1) The council shall submit an annual report of its activities to the governor and the relevant policy committees of the senate and house of representatives by December 15th of each year. The annual report must include an evaluation of progress made in the preceding year to implement or carry out the strategic plan and an identification of projects from the strategic plan that will be a focus for the following year.

(2) Prior to the start of the 2011 legislative session, the council must prepare a report to the appropriate committees of the legislature that makes recommendations as to the extension or modification of the council.

**NEW SECTION. Sec. 7.** The council may establish advisory and technical committees that it considers necessary to aid and advise the council in the performance of its functions. The committees may be continuing or temporary committees. The council shall determine the representation, membership, terms, and organization of the committees and appoint their members.

**NEW SECTION. Sec. 8.** The invasive species council account is created in the custody of the state treasurer. All receipts from appropriations, gifts, grants, and donations must be deposited into the account. Expenditures from the account may be used only to carry out the purposes of the council. The account is subject to allotment procedures under chapter 43.88 RCW and the approval of the director of the committee is required for expenditures. All expenditures must be directed by the council.

**Sec. 9.** RCW 79A.25.010 and 1989 c 237 s 2 are each amended to read as follows:

Definitions: As used in this chapter:

(1) "Marine recreation land" means any land with or without improvements which (a) provides access to, or in whole or in part borders on, fresh or salt water suitable for recreational use by watercraft, or (b) may be used to create, add to, or make more usable, bodies of water, waterways, or land, for recreational use by watercraft.

(2) "Public body" means any county, city, town, port district, park and recreation district, metropolitan park district, or other municipal corporation which is authorized to acquire or improve public outdoor recreation land, and shall also mean Indian tribes now or hereafter recognized as such by the federal government for participation in the land and water conservation program.

(3) "Tax on marine fuel" means motor vehicle fuel tax which is (a) tax on fuel used in, or sold or distributed for use in, any watercraft, (b) refundable pursuant to chapter 82.36 RCW, and (c) paid to the director of licensing with respect to taxable sales, distributions, or uses occurring on or after December 3, 1964.

(4) "Watercraft" means any boat, vessel, or other craft used for navigation on or through water.

(5) "Committee" means the interagency committee for outdoor recreation.

(6) "Director" means the director of the interagency committee for outdoor recreation.

(7) "Council" means the Washington invasive species council created in section 2 of this act.

**NEW SECTION. Sec. 10.** Section 8 of this act expires December 31, 2011.

**NEW SECTION. Sec. 11.** Sections 1 through 8 of this act are each added to chapter 79A.25 RCW."

Signed by Representatives B. Sullivan, Chairman; Upthegrove, Vice Chairman; Buck, Ranking Minority Member; Blake; Chandler; Dickerson; Hunt and Kagi.

MINORITY recommendation: Do not pass. Signed by Representatives Kretz, Assistant Ranking Minority Member; Orcutt.

Referred to Committee on Appropriations.

February 21, 2006

**SB 6187** Prime Sponsor, Senator Keiser: Removing tricore supplemental insurance policies from the definition of health plan or health benefit plan. Reported by Committee on Health Care

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander; Appleton; Bailey; Clibborn; Condotta; Green; Lantz; Moeller; Morrell; Schual-Berke and Skinner.

Passed to Committee on Rules for second reading.

February 21, 2006

**SSB 6188** Prime Sponsor, Senate Committee On Health & Long-Term Care: Providing health benefit plans offering coverage for prostate cancer screening. Reported by Committee on Health Care

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander; Appleton; Clibborn; Green; Lantz; Moeller; Morrell; Schual-Berke and Skinner.

MINORITY recommendation: Do not pass. Signed by Representatives Bailey and Condotta.

Referred to Committee on Appropriations.

February 21, 2006

**SSB 6234** Prime Sponsor, Senate Committee On Financial Institutions, Housing & Consumer Protection: Creating the insurance fraud program. Reported by Committee on Financial Institutions & Insurance

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** The purpose of this act is to confront the problem of insurance fraud in this state by making a concerted effort to detect insurance fraud, reduce the occurrence of fraud through criminal enforcement and deterrence, require restitution of fraudulently obtained insurance benefits and expenses incurred by an insurer in investigating fraudulent claims, and reduce the amount of premium dollars used to pay fraudulent claims. The primary focus of the insurance fraud program is on organized fraudulent activities committed against insurance companies.

**NEW SECTION. Sec. 2.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Insurance fraud" means an act or omission committed by a person who, knowingly, and with intent to defraud, commits, or conceals any material information concerning, one or more of the following:

(a) Presenting, causing to be presented, or preparing with knowledge or belief that it will be presented to or by an insurer, broker, or its agent, false information as part of, in support of, or concerning a fact material to one or more of the following:

- (i) An application for the issuance or renewal of an insurance policy;
- (ii) The rating of an insurance policy or contract;
- (iii) A claim for payment or benefit pursuant to an insurance policy;
- (iv) Premiums paid on an insurance policy;
- (v) Payments made in accordance with the terms of an insurance policy; or
- (vi) The reinstatement of an insurance policy;

(b) Willful embezzlement, abstracting, purloining, or conversion of moneys, funds, premiums, credits, or other property of an insurer or person engaged in the business of insurance; or

(c) Attempting to commit, aiding or abetting in the commission of, or conspiracy to commit the acts or omissions specified in this subsection.

The definition of insurance fraud is for illustrative purposes only under this chapter to describe the nature of the behavior to be reported and investigated, and is not intended in any manner to create or modify the definition of any existing criminal acts nor to create or modify the burdens of proof in any criminal prosecution brought as a result of an investigation under this chapter.

(2) "Insurer" means an insurance company authorized under chapter 48.05 RCW, a health care service contractor registered under chapter 48.44 RCW, and a health care maintenance organization registered under chapter 48.46 RCW.

**NEW SECTION. Sec. 3.** (1) There is established an insurance fraud program within the office of the insurance commissioner. The commissioner may employ supervisory, legal, and investigative personnel for the program, who must be qualified by training and experience in the areas of detection, investigation, or prosecution of fraud in which the insurance industry is a victim. The chief of the fraud program is a full-time position that is appointed by the commissioner. The chief serves at the pleasure of the commissioner. The commissioner shall provide office space, equipment, supplies, investigators, clerical staff, and other staff that are necessary for the program to carry out its duties and responsibilities under this chapter.

(2) The commissioner may fund one or more state patrol officers to work with the insurance fraud program and the funding for the officers must be paid out of the budget of the insurance fraud program.

(3) The commissioner may fund one or more assistant attorney generals and support staff to work with the insurance fraud program and the funding for the assistant attorney generals and support staff must be paid out of the budget of the insurance fraud program.

(4) The commissioner may make grants to or reimburse local prosecuting attorneys to assist in the prosecution of insurance fraud. The grants must be paid out of the budget of the insurance fraud program. The commissioner may investigate and seek prosecution of crimes involving insurance fraud upon the request of or with the concurrence of the county prosecuting attorney of the jurisdiction in which the offense has occurred. Before such a prosecution, the commissioner and the county in which the offense occurred shall reach an agreement regarding the payment of all costs, including expert witness fees, and defense attorneys' fees associated with any such prosecution.

(5) Staff levels for this program, until June 30, 2010, shall not exceed 8.0 full-time equivalents.

**NEW SECTION. Sec. 4.** The annual cost of operating the fraud program is funded from the insurance commissioner's regulatory account under RCW 48.02.190 subject to appropriation by the legislature.

**NEW SECTION. Sec. 5.** (1) The commissioner may:

(a) Employ and train personnel to achieve the purposes of this chapter and to employ legal counsel, investigators, auditors, and clerical support personnel and other personnel as the commissioner determines necessary from time to time to accomplish the purposes of this chapter;

(b) Initiate inquiries and conduct investigations when the commissioner has cause to believe that insurance fraud has been, is being, or is about to be committed;

(c) Conduct independent examinations of alleged insurance fraud;

(d) Review notices, reports, or complaints of suspected insurance fraud activities from federal, state, and local law enforcement and regulatory agencies, persons engaged in the business of insurance, and any other person to determine whether the reports require further investigation;

(e) Share records and evidence with federal, state, or local law enforcement or regulatory agencies, and enter into interagency agreements;

(f) Conduct investigations outside this state. If the information the commissioner seeks to obtain is located outside this state, the person from whom the information is sought may make the information available to the commissioner to examine at the place where the information is located. The commissioner may designate representatives, including officials of the state in which the matter is located, to inspect the information on behalf of the commissioner, and the commissioner may respond to similar requests from officials of other states;

(g) Administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, agreements, or other documents or records that the commissioner deems relevant or material to an inquiry concerning insurance fraud;

(h) Report incidents of alleged insurance fraud disclosed by its investigations to the appropriate prosecutorial authority, including

but not limited to the attorney general and to any other appropriate law enforcement, administrative, regulatory, or licensing agency;

(i) Assemble evidence, prepare charges, and work closely with any prosecutorial authority having jurisdiction to pursue prosecution of insurance fraud; and

(j) Undertake independent studies to determine the extent of fraudulent insurance acts.

(2) The fraud program investigators who have obtained certification as a peace officer under RCW 43.101.095 have the powers and status of a limited authority Washington peace officer.

**NEW SECTION. Sec. 6.** (1) Any insurer or licensee of the commissioner that has reasonable belief that an act of insurance fraud which is or may be a crime under Washington law has been, is being, or is about to be committed shall furnish and disclose the knowledge and information to the commissioner or the national insurance crime bureau, the national association of insurance commissioners, or similar organization, who shall disclose the information to the commissioner, and cooperate fully with any investigation conducted by the commissioner.

(2) Any person that has a reasonable belief that an act of insurance fraud which is or may be a crime under Washington law has been, is being, or is about to be committed; or any person who collects, reviews, or analyzes information concerning insurance fraud which is or may be a crime under Washington law may furnish and disclose any information in its possession concerning such an act to the commissioner or to an authorized representative of an insurer that requests the information for the purpose of detecting, prosecuting, or preventing insurance fraud.

**NEW SECTION. Sec. 7.** (1) Documents, materials, or other information as described in subsection (3), (4), or both of this section are exempt from public inspection and copying under chapters 42.17 and 42.56 RCW. The commissioner is authorized to use such documents, materials, or other information in the furtherance of any regulatory or legal action brought as a part of the commissioner's official duties.

(2) The commissioner:

(a) May share documents, materials, or other information, including the documents, materials, or information subject to subsection (1) of this section, with (i) the national association of insurance commissioners and its affiliates and subsidiaries, (ii) regulatory and law enforcement officials of other states and nations, the federal government, and international authorities, (iii) the national insurance crime bureau, and (iv) an insurer with respect to whom the suspected fraudulent claim may be perpetrated;

(b) May receive documents, materials, or information from (i) the national association of insurance commissioners and its affiliates and subsidiaries, (ii) regulatory and law enforcement officials of other states and nations, the federal government, and international authorities, (iii) the national insurance crime bureau, and (iv) an insurer with respect to whom the suspected fraudulent claim may be perpetrated and any such documents, materials, or information as described in subsection (3), (4), or both of this section are exempt from public inspection and copying; and

(c) May enter into agreements governing the sharing and use of information consistent with this subsection.

(3) Specific intelligence information and specific investigative records compiled by investigative, law enforcement, and penology agencies, the fraud program of the office of the insurance commissioner, and state agencies vested with the responsibility to discipline members of any profession, the nondisclosure of which is

essential to effective law enforcement or for the protection of any person's right to privacy, are exempt under subsection (1) of this section.

(4) Information revealing the identity of persons who are witnesses to or victims of crime or who file complaints with investigative, law enforcement, and penology agencies, or the fraud program of the office of the insurance commissioner, if disclosure would endanger any person's life, physical safety, or property, is exempt under subsection (1) of this section. If at the time a complaint is filed the complainant, victim, or witness indicates a desire for disclosure or nondisclosure, such desire shall govern.

(5) No waiver of an existing privilege or claim of confidentiality in the documents, materials, or information may occur as a result of disclosure to the commissioner under this section or as a result of sharing documents, materials, or information as authorized in subsection (2) of this section.

(6) Documents, materials, or other information that is in the possession of persons other than the commissioner that would otherwise not be confidential by law or privileged do not become confidential by law or privileged by providing the documents, materials, or other information to the commissioner.

**NEW SECTION. Sec. 8.** In a criminal prosecution for any crime under Washington law in which the insurance company is a victim, the insurance company is entitled to be considered as a victim in any restitution ordered by the court under RCW 9.94A.753, as part of the criminal penalty imposed against the defendant convicted for such a violation.

**NEW SECTION. Sec. 9.** This chapter does not:

(1) Preempt the authority or relieve the duty of any other general authority law enforcement agencies to investigate, examine, and prosecute suspected violations of law;

(2) Prevent or prohibit a person from voluntarily disclosing any information concerning insurance fraud to any law enforcement agency other than the commissioner; or

(3) Limit any of the powers granted elsewhere in this title to the commissioner to investigate and examine possible violations of the law and to take appropriate action.

**NEW SECTION. Sec. 10.** No later than six months after the effective date of this section, or when the insurer has used all its existing paper application and claim forms which were in its possession on the effective date of this section, whichever is later, all applications for insurance, and all claim forms regardless of the form of transmission provided and required by an insurer or required by law as condition of payment of a claim, must contain a statement, permanently affixed to the application or claim form, that clearly states in substance the following:

"It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits."

The lack of a statement required in this section does not constitute a defense in any criminal prosecution nor any civil action.

**NEW SECTION. Sec. 11.** The commissioner shall appoint an insurance fraud advisory board. The board shall consist of ten members. Five members shall be representatives from the insurance industry doing business in this state, at least one of which shall be from a Washington domestic insurer, two members shall represent consumers, one member shall represent the national insurance crime

bureau or successor organization, one member shall represent prosecutors, and one member shall represent other law enforcement agencies. The members of the board serve four-year terms and until their successors are appointed and qualified. Three of the original members must be appointed to serve an initial term of four years, three must be appointed to serve an initial term of three years, two must be appointed to serve an initial term of two years, and two must be appointed to serve an initial term of one year. The members of the board receive no compensation. The board shall advise the commissioner and the legislature with respect to the effectiveness, resources allocated to the fraud program, the source of the funding for the program, and before June 30, 2010, if the staffing level restriction in section 3(5) of this act should be renewed.

**NEW SECTION. Sec. 12.** The commissioner shall prepare an annual report of the activities of the fraud program. The report shall be submitted to the legislature no later than March 1st for the prior calendar year. The report shall, at a minimum, include information as to the number of cases reported to the commissioner, the number of cases referred for prosecution, the number of convictions obtained, the amount of money recovered, and any recommendations of the insurance advisory board.

**NEW SECTION. Sec. 13.** The commissioner may adopt rules to implement and administer this chapter.

**Sec. 14.** RCW 48.50.070 and 2000 c 254 s 5 are each amended to read as follows:

Any licensed insurance agent, any licensed insurance broker, or any insurer or person acting in the insurer's behalf, health maintenance organization or person acting in behalf of the health maintenance organization, health care service contractor or person acting in behalf of the health care service contractor, or any authorized agency which releases information, whether oral or written, to the commissioner, the national insurance crime bureau, the national association of insurance commissioners, other law enforcement agent or agency, or another insurer under RCW 48.50.030, 48.50.040, 48.50.050, ~~((or))~~ 48.50.055, or section 6 of this act is immune from liability in any civil or criminal action, suit, or prosecution arising from the release of the information, unless actual malice on the part of the agent, broker, insurer, health care maintenance organization, health care service contractor, or authorized agency against the insured is shown.

**Sec. 15.** RCW 48.50.075 and 1995 c 285 s 24 are each amended to read as follows:

In denying a claim, an insurer, health maintenance organization, or health care service contractor who relies upon a written opinion from an authorized agency specifically enumerated in RCW 48.50.020(1) (a) through (g) that criminal activity that is related to that claim is being investigated, or a crime has been charged, and that the claimant is a target of the investigation or has been charged with a crime, is not liable for bad faith or other noncontractual theory of damages as a result of this reliance.

Immunity under this section shall exist only so long as the incident for which the claimant may be responsible is under active investigation or prosecution, or the authorized agency states its position that the claim includes or is a result of criminal activity in which the claimant was a participant.

**Sec. 16.** RCW 10.93.020 and 2002 c 128 s 1 are each amended to read as follows:

As used in this chapter, the following terms have the meanings indicated unless the context clearly requires otherwise.

(1) "General authority Washington law enforcement agency" means any agency, department, or division of a municipal corporation, political subdivision, or other unit of local government of this state, and any agency, department, or division of state government, having as its primary function the detection and apprehension of persons committing infractions or violating the traffic or criminal laws in general, as distinguished from a limited authority Washington law enforcement agency, and any other unit of government expressly designated by statute as a general authority Washington law enforcement agency. The Washington state patrol and the department of fish and wildlife are general authority Washington law enforcement agencies.

(2) "Limited authority Washington law enforcement agency" means any agency, political subdivision, or unit of local government of this state, and any agency, department, or division of state government, having as one of its functions the apprehension or detection of persons committing infractions or violating the traffic or criminal laws relating to limited subject areas, including but not limited to, the state departments of natural resources and social and health services, the state gambling commission, the state lottery commission, the state parks and recreation commission, the state utilities and transportation commission, the state liquor control board, the office of the insurance commissioner, and the state department of corrections.

(3) "General authority Washington peace officer" means any full-time, fully compensated and elected, appointed, or employed officer of a general authority Washington law enforcement agency who is commissioned to enforce the criminal laws of the state of Washington generally.

(4) "Limited authority Washington peace officer" means any full-time, fully compensated officer of a limited authority Washington law enforcement agency empowered by that agency to detect or apprehend violators of the laws in some or all of the limited subject areas for which that agency is responsible. A limited authority Washington peace officer may be a specially commissioned Washington peace officer if otherwise qualified for such status under this chapter.

(5) "Specially commissioned Washington peace officer", for the purposes of this chapter, means any officer, whether part-time or full-time, compensated or not, commissioned by a general authority Washington law enforcement agency to enforce some or all of the criminal laws of the state of Washington, who does not qualify under this chapter as a general authority Washington peace officer for that commissioning agency, specifically including reserve peace officers, and specially commissioned full-time, fully compensated peace officers duly commissioned by the states of Oregon or Idaho or any such peace officer commissioned by a unit of local government of Oregon or Idaho. A reserve peace officer is an individual who is an officer of a Washington law enforcement agency who does not serve such agency on a full-time basis but who, when called by the agency into active service, is fully commissioned on the same basis as full-time peace officers to enforce the criminal laws of the state.

(6) "Federal peace officer" means any employee or agent of the United States government who has the authority to carry firearms and make warrantless arrests and whose duties involve the enforcement of criminal laws of the United States.

(7) "Agency with primary territorial jurisdiction" means a city or town police agency which has responsibility for police activity within its boundaries; or a county police or sheriff's department which has responsibility with regard to police activity in the

unincorporated areas within the county boundaries; or a statutorily authorized port district police agency or four-year state college or university police agency which has responsibility for police activity within the statutorily authorized enforcement boundaries of the port district, state college, or university.

(8) "Primary commissioning agency" means (a) the employing agency in the case of a general authority Washington peace officer, a limited authority Washington peace officer, an Indian tribal peace officer, or a federal peace officer, and (b) the commissioning agency in the case of a specially commissioned Washington peace officer (i) who is performing functions within the course and scope of the special commission and (ii) who is not also a general authority Washington peace officer, a limited authority Washington peace officer, an Indian tribal peace officer, or a federal peace officer.

(9) "Primary function of an agency" means that function to which greater than fifty percent of the agency's resources are allocated.

(10) "Mutual law enforcement assistance" includes, but is not limited to, one or more law enforcement agencies aiding or assisting one or more other such agencies through loans or exchanges of personnel or of material resources, for law enforcement purposes.

**Sec. 17.** RCW 42.56.400 and 2005 c 274 s 420 are each amended to read as follows:

The following information relating to insurance and financial institutions is exempt from disclosure under this chapter:

(1) Records maintained by the board of industrial insurance appeals that are related to appeals of crime victims' compensation claims filed with the board under RCW 7.68.110;

(2) Information obtained and exempted or withheld from public inspection by the health care authority under RCW 41.05.026, whether retained by the authority, transferred to another state purchased health care program by the authority, or transferred by the authority to a technical review committee created to facilitate the development, acquisition, or implementation of state purchased health care under chapter 41.05 RCW;

(3) The names and individual identification data of all viators regulated by the insurance commissioner under chapter 48.102 RCW;

(4) Information provided under RCW 48.30A.045 through 48.30A.060;

(5) Information provided under RCW 48.05.510 through 48.05.535, 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and 48.46.600 through 48.46.625;

(6) Information gathered under chapter 19.85 RCW or RCW 34.05.328 that can be identified to a particular business;

(7) Examination reports and information obtained by the department of financial institutions from banks under RCW 30.04.075, from savings banks under RCW 32.04.220, from savings and loan associations under RCW 33.04.110, from credit unions under RCW 31.12.565, from check cashers and sellers under RCW 31.45.030(3), and from securities brokers and investment advisers under RCW 21.20.100, all of which is confidential and privileged information;

(8) Information provided to the insurance commissioner under RCW 48.110.040(3);

(9) Documents, materials, or information obtained by the insurance commissioner under RCW 48.02.065, all of which are confidential and privileged; ~~(and)~~

(10) Confidential proprietary and trade secret information provided to the commissioner under RCW 48.31C.020 through 48.31C.050 and 48.31C.070; and

(11) Documents, materials, or information obtained by the insurance commissioner under section 7 of this act.

**NEW SECTION. Sec. 18.** A new section is added to chapter 42.17 RCW to read as follows:

Documents, materials, or information obtained by the insurance commissioner under section 7 of this act are exempt from disclosure under this chapter.

**NEW SECTION. Sec. 19.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

**NEW SECTION. Sec. 20.** Sections 1 through 13 and 19 of this act constitute a new chapter in Title 48 RCW.

**NEW SECTION. Sec. 21.** This act takes effect July 1, 2006."

Correct the title.

Signed by Representatives Kirby, Chairman; Ericks, Vice Chairman; Roach, Ranking Minority Member; Tom, Assistant Ranking Minority Member; Newhouse; O'Brien; Santos; Serben; Simpson; Strow and Williams.

Referred to Committee on Appropriations.

February 22, 2006

ESSB 6244 Prime Sponsor, Senate Committee On Water, Energy & Environment: Changing provisions relating to oil spill prevention, preparedness, and response. Reported by Committee on Natural Resources, Ecology & Parks

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** A new section is added to chapter 88.46 RCW to read as follows:

(1) The department's rules authorized under RCW 88.46.160 and this section shall be scaled to the risk posed to people and to the environment, and be categorized by type of transfer, volume of oil, frequency of transfers, and such other risk factors as identified by the department.

(2) The rules may require prior notice be provided before an oil transfer, regulated under this chapter, occurs in situations defined by the department as posing a higher risk. The notice may include the time, location, and volume of the oil transfer. The rules may not require prior notice when marine fuel outlets are transferring less than three thousand gallons of oil in a single transaction to a ship that is not a covered vessel and the transfers are scheduled less than four hours in advance.

(3) The department may require semiannual reporting of volumes of oil transferred to ships by a marine fuel outlet.

(4) The rules may require additional measures to be taken in conjunction with the deployment of containment equipment or with the alternatives to deploying containment equipment. However, these

measures must be scaled appropriately to the risks posed by the oil transfer.

(5) The rules shall include regulations to enhance the safety of oil transfers over water originating from vehicles transporting oil over private roads or highways of the state.

**NEW SECTION. Sec. 2.** A new section is added to chapter 88.46 RCW to read as follows:

In addition to other inspection authority provided for in this chapter and chapter 90.56 RCW, the department may conduct inspections of oil transfer operations regulated under RCW 88.46.160 or section 1 of this act.

**NEW SECTION. Sec. 3.** A new section is added to chapter 88.46 RCW to read as follows:

If the director believes a person has violated or is violating or creates a substantial potential to violate the provisions of any rules adopted under this chapter, the director may institute such actions as authorized under RCW 88.46.070 (2) and (3).

**NEW SECTION. Sec. 4.** A new section is added to chapter 88.46 RCW to read as follows:

The department shall by rule adopt procedures to determine the adequacy of contingency plans approved under RCW 88.46.060. The rules shall require random practice drills without prior notice that will test the adequacy of the responding entities. The rules may provide for unannounced practice drills of individual contingency plans. The department shall review and publish a report on the drills, including an assessment of response time and available equipment and personnel compared to those listed in the contingency plans relying on the responding entities, and requirements, if any, for changes in the plans or their implementation. The department may require additional drills and changes in arrangements for implementing approved plans which are necessary to ensure their effective implementation.

**NEW SECTION. Sec. 5.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

Signed by Representatives B. Sullivan, Chairman; Upthegrove, Vice Chairman; Buck, Ranking Minority Member; Kretz, Assistant Ranking Minority Member; Blake; Chandler; Dickerson; Hunt; Kagi and Orcutt.

Referred to Committee on Appropriations.

February 22, 2006

**ESSB 6255** Prime Sponsor, Senate Committee On Early Learning, K-12 & Higher Education: Improving student performance through student-centered planning. Reported by Committee on Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** The legislature recognizes that there are specific skills and a body of knowledge that each student needs to chart a course through middle school, high school, and post-high school options. Each student needs active involvement from parents and at least one supportive adult in the school who knows the student well and cares about the student's progress and future. Students, parents, and teachers also need the benefit of immediate feedback and accurate diagnosis of students' academic strengths and weaknesses to inform the students' short-term and long-term plans. To empower and motivate all students and parents to take a greater role in charting the students' own educational experiences, the legislature intends to strengthen schools' guidance and planning programs.

**NEW SECTION. Sec. 2.** A new section is added to chapter 28A.600 RCW to read as follows:

(1) The legislature encourages each middle school, junior high school, and high school to implement a comprehensive guidance and planning program for all students. The purpose of the program is to support students as they navigate their education and plan their future; encourage an ongoing and personal relationship between each student and an adult in the school; and involve parents in students' educational decisions and plans.

(2) A comprehensive guidance and planning program is a program that contains at least the following components:

(a) A curriculum intended to provide the skills and knowledge students need to select courses, explore options, plan for their future, and take steps to implement their plans. The curriculum may include such topics as analysis of students' test results; diagnostic assessments of students' academic strengths and weaknesses; use of assessment results in developing students' short-term and long-term plans; assessments of student interests and aptitude; goal-setting skills; planning for high school course selection; independent living skills; and postsecondary options and how to access them;

(b) Regular meetings between each student and a teacher who serves as an advisor throughout the student's enrollment at the school;

(c) Student-led conferences with the student's parents, guardians, or family members and the student's advisor for the purpose of demonstrating the student's accomplishments; identifying weaknesses; planning and selecting courses; and setting long-term goals; and

(d) Data collection that allows schools to monitor students' progress.

**NEW SECTION. Sec. 3.** (1) Subject to the availability of funds appropriated for this purpose, the superintendent of public instruction shall:

(a) Develop and disseminate the curriculum for the comprehensive guidance and planning program under section 2 of this act to all school districts no later than the beginning of the 2006-07 school year;

(b) Develop and disseminate electronic student planning tools and a software package to analyze the impact of the implementation of the program on student performance;

(c) Develop and disseminate information about options for diagnostic assessments to improve student learning and student planning as provided under RCW 28A.655.200;

(d) Develop and conduct regional training seminars for teachers on the curriculum and on guidance and mentoring skills;

(e) Monitor and evaluate implementation of the program during the fall of 2006 in order to revise and improve the curriculum by the spring of 2007; and

(f) Allocate grants to selected schools for the purpose of implementing the program. The superintendent shall develop and publish the grant selection criteria, number of awards, and award amounts. The first round of at least twenty-five grant recipients shall be selected and notified by September 2006. The second round of at least seventy-five grant recipients shall be selected and notified by January 2007. The purpose of the grants is to provide time for school staff to plan and integrate the comprehensive program into their schools. To the extent possible, the superintendent shall include representation from school districts of varying sizes and from different geographic regions of the state in the grant allocation.

(2) By January 1, 2009, the superintendent of public instruction shall report to the education committees of the legislature regarding the impact of comprehensive guidance and planning programs on student performance.

**Sec. 4.** RCW 28A.655.200 and 2005 c 217 s 2 are each amended to read as follows:

(1) ~~((The legislature finds that the mandatory norm-referenced student assessments eliminated under chapter 217, Laws of 2005 provide information that teachers and parents use to improve student learning.))~~ In the absence of mandatory, statewide, norm-referenced assessments, the legislature intends to permit school districts to offer norm-referenced assessments ((at the districts' own expense and)), make diagnostic tools available ((that provide information that is at least as valuable as the information eliminated under chapter 217, Laws of 2005)), and provide funding for diagnostic assessments to enhance guidance and planning for students and to provide early intervention before the high school Washington assessment of student learning.

(2) In addition to the diagnostic assessments provided under subsection (5) of this section, school districts may, at their own expense, administer norm-referenced assessments to students.

(3) By September 1, 2005, subject to available funds, the office of the superintendent of public instruction shall post on its web site for voluntary use by school districts, a guide of diagnostic assessments. The assessments in the guide, to the extent possible, shall include the characteristics listed in subsection (4)((a) through (e)) of this section.

(4) ~~((By September 1, 2006, subject to the availability of amounts appropriated for this specific purpose))~~ Beginning September 1, 2007, the office of the superintendent of public instruction shall make available to school districts diagnostic assessments that help improve student learning. To the greatest extent possible, the assessments shall be:

- (a) Aligned to the state's grade level expectations;
- (b) Individualized to each student's performance level;
- (c) Administered efficiently to provide results either immediately or within two weeks;
- (d) Capable of measuring individual student growth over time and allowing student progress to be compared to other students across the country; ((and))
- (e) Readily available to parents; and
- (f) Cost-effective.

(5) Beginning with the 2006-07 school year, the superintendent of public instruction shall reimburse school districts for administration of diagnostic assessments in grade nine for the purpose of identifying academic weaknesses, enhancing student planning and guidance, and developing targeted instructional strategies to assist students before the high school Washington assessment of student learning.

(6) The office of the superintendent of public instruction is encouraged to offer at ((their)) statewide and regional staff development activities training opportunities that would assist practitioners in:

- (a) The interpretation of diagnostic assessments; and
- (b) Application of instructional strategies that will increase student learning based on diagnostic assessment data.

**NEW SECTION. Sec. 5.** If specific funding for the purposes of this act and section 4 of this act, referencing this act and section 4 of this act by bill or chapter number and section number, is not provided by June 30, 2006, in the omnibus appropriations act, section 4 of this act is null and void."

Correct the title.

Signed by Representatives Quall, Chairman; P. Sullivan, Vice Chairman; Talcott, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; Curtis; Haigh; Hunter; McDermott; Priest; Santos; Shabro; Tom and Wallace.

Referred to Committee on Appropriations.

February 22, 2006

**ESSB 6384** Prime Sponsor, Senate Committee On Ways & Means: Adopting the 2006 supplemental capital budget. Reported by Committee on Capital Budget

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A supplemental capital budget is hereby adopted and, subject to the provisions set forth in this act, the several dollar amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for capital projects during the period beginning with the effective date of this act and ending June 30, 2007, out of the several funds specified in this act.

**SUPPLEMENTAL APPROPRIATIONS**

NEW SECTION. Sec. 101. A new section is added to 2005 c 488 (uncodified) to read as follows:

**OFFICE OF FINANCIAL MANAGEMENT FOR THE OFFICE OF FINANCIAL MANAGEMENT**  
Infrastructure Study (06-2-850)

The appropriation in this section is subject to the following conditions and limitations:

(1) The legislature finds that the December 16, 2005, inventory and evaluation of the state's public infrastructure programs and funds report completed pursuant to section 129(1), chapter 518, Laws of 2005 identified the need for systematic improvements to infrastructure grant, loan, and technical assistance programs. The report identified needed improvements, including (a) the development of common infrastructure program processes, procedures, and financing mechanisms; and (b) the consolidation of programs to improve coordination and efficiency of the state's investments and to minimize duplication.

(2) The appropriation in this section is provided solely for the office of financial management, in consultation with staff from appropriate fiscal committees of the legislature and affected state agencies, to:

- (a) Identify and prioritize processes, procedures, financing mechanisms, and programs for integration, standardization, or consolidation;
- (b) Identify program overlaps and gaps between the state's infrastructure programs;
- (c) Identify local projects funded by the legislature but not included in existing grant, loan, or technical assistance programs and analyze whether the projects meet the programs' criteria;

(d) Identify a strategy to include projects such as those identified in (c) of this subsection within existing or potential consolidated programs. Consider program processes, procedures, criteria, policies, and rules related but not limited to project review and selection, funding limits, and participation requirements;

(e) Identify or develop a comprehensive funding structure to support the integration and standardization of processes, procedures, and consolidated programs; and

(f) Report recommendations to the appropriate fiscal committees of the legislature by December 15, 2006.

Appropriation:

State Building Construction Account--State .....	\$100,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$100,000

NEW SECTION. Sec. 102. A new section is added to 2005 c 488 (uncodified) to read as follows:

**JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**  
**FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**  
Life-cycle Cost Model Update (06-2-851)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely to update the life-cycle cost model developed by the joint legislative audit and review committee. The joint legislative audit and review committee shall:

- (1) Update the model's assumptions;
- (2) Enhance the model's ability to inform decision-makers about the current and long-term capital and operating impacts of facility leasing options compared to state ownership; and
- (3) Revise the model to allow for comparisons of alternate financing approaches, including but not limited to the use of certificates of participation, 63-20 financing, and state general obligation bond funding.

Appropriation:

State Building Construction Account--State .....	\$50,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$50,000

Sec. 103. 2005 c 488 s 109 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Drinking Water Assistance Program (06-4-003)

Appropriation:

Drinking Water Assistance Account--State .....	\$8,100,000
Drinking Water Assistance Repayment Account--State .....	<del>(\$11,500,000)</del>
	<u>\$21,780,000</u>
Subtotal Appropriation .....	<del>(\$19,600,000)</del>
	<u>\$29,880,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$78,400,000
TOTAL .....	<del>(\$98,000,000)</del>
	<u>\$108,280,000</u>

Sec. 104. 2005 c 488 s 112 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Building for the Arts (06-4-005)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation is subject to the provisions of RCW 43.63A.750.
- (2) The appropriation is provided solely for the following list of projects:

Projects	Location	Recommendation
<del>((African-American museum</del>	<del>Seattle</del>	<del>\$700,000))</del>
McIntyre hall	Mount Vernon	\$350,000
Northwest film forum	Seattle	\$100,000
Historic Cooper school	Seattle	\$500,000
Merc playhouse	Twisp	\$6,000
Masquers theatre	Soap Lake	\$145,000
Cornish College of the Arts	Seattle	\$700,000
Dahmen barn workshop	Uniontown	\$79,000
Roxy theatre	Morton	\$75,000
Duwamish longhouse	Seattle	\$65,000
Everett symphony	Everett	\$215,000
Admiral theatre	Bremerton	\$180,000
Pratt fine arts center	Seattle	\$300,000
Arlington performing arts	Arlington	\$375,000
Seattle Academy of Fine Art	Seattle	\$35,000
Academy of children's theatre	Richland	\$150,000
Empire theatre	Tekoa	\$25,000
Children's museum	Spokane	\$75,000
World kite museum	Long Beach	\$115,000
McCaw hall	Seattle	\$1,000,000
KidsQuest children's museum	Bellevue	\$200,000
<b>Total</b>		<del><b>(\$5,390,000)</b></del>
		<u><b>\$4,690,000</b></u>

Appropriation:

State Building Construction Account--State .....	<del>(\$5,390,000)</del>
	<u>\$4,690,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$16,000,000
TOTAL .....	<del>(\$21,390,000)</del>
	<u>\$20,690,000</u>

Sec. 105. 2005 c 488 s 125 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Housing Assistance, Weatherization, and Affordable Housing (04-4-003)

The reappropriations in this section ~~((is))~~ are subject to the following conditions and limitations:

- (1) \$1,700,000 of the reappropriation is provided solely to promote development of safe and affordable housing units for persons eligible for services from the division of developmental disabilities within the department of social and health services.

(2) \$700,000 of the reappropriation is provided solely for grants to nonprofit organizations and public housing authorities for revolving loan, self-help housing programs for low and moderate income families.

(3) \$84,500 of the reappropriation is provided solely for shelters, transitional housing, or other housing facilities for victims of domestic violence.

(4) \$600,000 of the reappropriation is provided solely for facilities housing low-income migrant, seasonal, or temporary farmworkers. It is the intent of the legislature that operation of the facilities built under this section be in compliance with 8 U.S.C. Sec. 1342. The department shall work with the farmworker housing advisory committee to prioritize funding of projects to the areas of highest need. Funding may also be provided, to the extent qualified projects are submitted, for health and safety projects.

(5) \$1,400,000 of the reappropriation is provided solely for the development of emergency shelters and transitional housing opportunities for homeless families with children.

~~(6) ((Up to \$1,000,000 of the reappropriation is provided to help capitalize a self-insurance risk pool for nonprofit corporations in Washington that develop housing units for low-income persons and families. The self-insurance risk pool shall be approved by the state risk manager. The self-insurance risk pool shall repay to the state the amount of the reappropriation provided to the risk pool under this section whenever the capitalization exceeds the minimum requirements established by the office of the risk manager. Any reappropriation authority not expended by June 30, 2007, shall lapse.))~~ \$960,000 of the Washington housing trust account appropriation is provided solely for implementation of the multiunit residential building liability revolving fund program authorized in chapter ... (Second Substitute House Bill No. 3070), Laws of 2006. If the bill is not enacted by June 30, 2006, the amounts in this subsection shall lapse.

Reappropriation:

State Taxable Building Construction Account--State ..... ~~(\$25,780,000)~~  
\$24,820,000

Appropriation:

Washington Housing Trust Account--State ..... \$960,000

Prior Biennia (Expenditures) ..... \$55,220,000

Future Biennia (Projected Costs) ..... \$0

TOTAL ..... \$81,000,000

**Sec. 106.** 2005 c 488 s 131 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Local/Community Projects (06-4-008)

The appropriation in this section is subject to the following conditions and limitations:

(1) The projects must comply with RCW 43.63A.125(2)(c) and other requirements for community projects administered by the department.

(2) Funding for the Inland Northwest Science and Technology Center shall be held in reserve until the balance of phase I funding has been secured or committed from local government and community sources.

(3) The Washington state arts commission shall design a plaque that shall be affixed to buildings or displayed as part of a project receiving any appropriation from this section. The plaque shall provide information to the public that the building or project has been made possible by the tax dollars of Washington citizens. The commission may contact the secretary of state to obtain approval for use of the Washington seal in the design of the plaque. The final design shall be approved by the chairs and ranking members of the house of representatives capital budget committee and the senate ways and means committee.

(4) The appropriation is provided solely for the following list of projects:

<b>Projects</b>	<b>Recommendation</b>
7th street theatre	\$600,000
Alder creek pioneer association carousel museum	\$450,000
Asian counseling and referral service	\$2,000,000
Bailey Gatzert children's play area	\$75,000
Bridge for kids	\$850,000
Brookside school ADA playground equipment	\$25,000
Buena library	\$50,000
Cannon house	\$250,000
Central area motivation program (CAMP)	\$250,000
Cesar Chavez park	\$150,000
<u>Chambers creek footbridge</u>	<u>\$177,000</u>
Childhaven	\$150,000
Clark Lake park and retreat center	\$500,000
Colman school <u>preconstruction activities</u>	<del>(\$500,000)</del> <u>\$1,200,000</u>
Columbia breaks fire interpretive center	\$150,000
Covington aquatics center phase 1	\$350,000
Crossroads community center and park	\$250,000

Cutter theater	\$71,000
Des Moines beach park historic buildings	\$300,000
Discovery park	\$1,000,000
East Whatcom regional resource center	\$1,750,000
Eatonville family park	\$50,000
El Centro de la Raza	\$900,000
Filipino community center	\$200,000
Foster creek	\$150,000
Fox theater	\$2,398,000
GC health clinic	\$12,000
Grand Army of the Republic cemetery	\$5,000
Granite Falls museum expansion	\$50,000
Greenbridge plaza in White Center	\$200,000
Habitat park south hill	\$400,000
<u>Hanford reach interpretive center</u>	<u>\$2,000,000</u>
Hidden river environmental education center	\$50,000
ICL education center	\$200,000
Japanese cultural and community center	\$200,000
Joel Pritchard park	\$2,500,000
Joe's creek project	\$856,000
Juanita creek channel and riparian restoration	\$500,000
Julia Butler Hansen home restoration	\$10,000
LeRoi smelter smokestack monument	\$3,000
Lewis and Clark confluence project	\$1,500,000
McCaw hall	\$2,000,000
<u>Meridian habitat park</u>	<u>\$400,000</u>
<u>Miners' memorial</u>	<u>\$36,500</u>
<u>Miracle league handicapped baseball</u>	<u>\$57,000</u>
MOBIUS/Inland Northwest science and technology center	\$1,500,000
Mt. Baker theater	\$200,000
Mt. Vernon Jasper Gates statue	\$12,000
Multicultural center of Kitsap county	\$250,000
Nathaniel Orr home site museum interpretive center	\$29,000
<u>Neighborhood house rainier vista</u>	<u>\$213,000</u>
New Lakewood clinic	\$350,000
Northeast community center expansion	\$250,000
Northshore performing arts center	\$1,000,000
Northwest communities education center	\$1,000,000
Oak Harbor multi-purpose community and sports facility	\$50,000
Omak grandstand	\$250,000
Pacific Northwest salmon center	\$1,000,000
Pacific science center	\$900,000
Performing arts center (PACE)	\$500,000
Puget Sound freight building warehouse--Thea Foss waterway	\$2,000,000
Relocation of Sieke Japanese gardens	\$250,000
River walk and Sammamish river restoration	\$200,000
Roslyn city hall	\$150,000
Ruth Dykeman children's center	\$27,000
Sandman historical tug restoration	\$10,000
<u>Seattle Aquarium</u>	<u>\$1,500,000</u>
Seattle community center (1115 E. Pike street)	\$13,000
Seward park environmental and audubon center	\$400,000
Snohomish senior center	\$150,000
Sno-Valley senior activity center kitchen	\$50,000
Sound way property preservation	\$500,000
Spokane river whitewater course	\$400,000
Sumas ballpark	\$250,000
Synthetic sportsfield partnership at Robinswood park	\$400,000
Tall ships moorage	\$300,000

Tukwila kayak and canoe launching facility	\$20,000
Undeveloped woodlands linked to interurban nature trail	\$150,000
Vancouver museum	\$125,000
Vancouver national historical reserve west barracks	\$1,000,000
Veterans memorial museum	\$100,000
West Seattle community resource center	\$500,000
West central community center	\$500,000
West Hylebos wetlands boardwalk	\$100,000
Wilson playfield land acquisition	\$200,000
Wing Luke Asian art museum	\$2,000,000
Youth housing/drop-in center	\$400,000
<b>Total</b>	<b><u>(\$39,391,000)</u></b> <b><u>\$44,474,500</u></b>

Appropriation:

State Building Construction Account--State .....	(( <u>\$39,391,000</u> ))
	<u>\$44,474,500</u>
 Prior Biennia (Expenditures) .....	 \$0
Future Biennia (Projected Costs) .....	\$0
<b>TOTAL .....</b>	<b><u>((<u>\$39,391,000</u>))</u></b> <b><u>\$44,474,500</u></b>

Sec. 107. 2005 c 488 s 138 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

Job/Economic Development Grants (06-4-950)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for the following list of projects:

<b>Projects</b>	<b>Recommendation</b>
Belfair sewer improvements	\$8,000,000
Bellingham waterfront restoration	\$2,000,000
Bremerton Harborside	\$4,000,000
Burien town square	\$2,000,000
Carnation sewer	\$2,000,000
City of Covington	(( <u>\$1,000,000</u> ))
	<u>\$3,000,000</u>
Infrastructure for Renton Boeing property	\$5,000,000
Military communities infrastructure projects	\$5,000,000
Pacific Northwest national labs campus infrastructure project	\$6,000,000
Rainier court	\$1,500,000
Redevelop Snohomish riverfront	\$1,500,000
Ridgefield employment center project	\$2,000,000
Tukwila Southcenter parkway infrastructure	\$6,000,000
Yakima town center restoration	\$4,000,000
<b>Total</b>	<b><u>((<u>\$50,000,000</u>))</u></b> <b><u>\$52,000,000</u></b>

(2) \$1,000,000 of the appropriation for the Pacific Northwest national labs campus infrastructure project is provided solely for giga-pop infrastructure.

(3) \$1,000,000 of the public works assistance account--state appropriation and \$2,000,000 of the state building construction account--state appropriation are provided solely for the city of Covington.

(4) \$5,000,000 of the appropriation is provided solely for military communities infrastructure projects (is provided solely for grants to support projects in Island county, Kitsap county, Pierce county, Snohomish county, and Spokane county when a military base in that county is identified for potential closure in the federal base realignment and closure process. The grants will be used to address infrastructure improvements that will aid in the removal of the base from the closure list. The office of financial management shall establish a process for selecting projects for funding based on criteria used to determine the federal base realignment and closure list and recommendations by the department of community, trade, and economic development and the military department. Final allocation of the grants shall be at the discretion and with the approval of the director of the office of financial management)). Military communities infrastructure projects shall include:

(a) Grants to counties and cities for the purchase of development easements to restrict the use of accident potential zones and clear zones. The office of financial management shall establish a competitive process for selecting projects to receive the grants. Final allocation of these grants shall be at the discretion and with the approval of the director of the office of financial management.

The grants are subject to the following conditions:

- (i) The county or city must be subject to and in compliance with RCW 36.70A.530;
- (ii) The grants may not be used to remove encroachments into these zones allowed by county or city zoning or permitting actions;
- (iii) The county or city must have an encroachment prevention plan preventing future encroachment into these zones; and
- (iv) The grant provided by the state must not exceed one-third of the project cost with funds from local and federal sources providing the balance of the funds.

(b) \$481,000 of the appropriation is provided solely for improvements to a military department site on Fairchild air force base.

Appropriation:

Public Works Assistance Account--State .....	\$50,000,000
State Building Construction Account--State .....	\$2,000,000
<u>Subtotal Appropriation .....</u>	<u>\$52,000,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	(((\$50,000,000)) \$52,000,000

NEW SECTION. Sec. 108. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Energy Freedom Program (E3SHB No. 2939) (06-2-854)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation is provided solely to implement the energy freedom program created in chapter . . . (Engrossed Third Substitute House Bill No. 2939), Laws of 2006. If the bill is not enacted by June 30, 2006, the appropriation shall lapse.
- (2) The department shall not expend more than \$466,000 of the appropriation on administrative costs.

Appropriation:

Energy Freedom Account--State .....	\$10,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$10,000,000

Sec. 109. 2006 c ... s 2 (E2SHB No. 2393) (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Energy Freedom Program (06-2-852)

The appropriation in this section is subject to the following conditions and limitations:

- (1)(a) The appropriation is provided solely for low-interest loans to political subdivisions for renewable energy projects including the development of biofuel oilseed crushers, supporting infrastructure, and facilities. The political subdivision may negotiate an appropriate agreement with the bioenergy industry for the use of the oilseed crushers, supporting infrastructure, and facilities.
- (b) For purposes of this section, political subdivision means any port district, county, city, town, special purpose district, and any other municipal corporations or quasi-municipal corporations in the state.
- (2) The appropriation is provided solely for the following list of projects:

<b>Project</b>	<b>Recommendation</b>
Spokane conservation district	\$2,750,000
Odessa public development authority	\$2,750,000
Port of Columbia county	\$2,750,000
Port of Sunnyside	\$750,000
<b>Total</b>	<b>\$9,000,000</b>

(3) All agreements negotiated between the political subdivision and the bioenergy industry for use of the oilseed crushers, supporting infrastructure, or facilities funded in this section must provide for at least a fifty percent match by the industry partner. The industry match may include, but is not limited to, investments in rail, buildings, refining capacity, or seed stock.

(4) All other project funds must be disbursed prior to energy freedom loans, except where required on a matching basis by other federal or state programs.

(5) The department shall disburse loans to the political subdivision on a reimbursement basis only.

(6) The department may defer loan repayment for up to twenty-four months or until the projects start to receive revenue from operations, whichever is sooner.

(7) Upon written notice to the political subdivision, the department may suspend or cancel its loans if any of the following occur:

(a) The political subdivision fails to make satisfactory and reasonable progress to complete the project, or the department concludes the political subdivision will be unable to complete the project or any portion of it; or

(b) The political subdivision or bioenergy industry partners have made misrepresentations in any information furnished to the department or the legislature in connection with the project.

(8) In the event that any portion of the loan has been paid to the political subdivision under this section at the time of breach, or failure of the political subdivision to satisfactorily perform, the department may require that the full amount of the loan, or a portion thereof, be repaid within a period specified by the department.

(9) Future loan repayments shall be deposited into the energy freedom account created in section 3 of this act.

(10) Chapter 39.12 RCW applies to the renewable energy projects funded in whole or in part by the appropriation in this section.

(11) It is the intent of the legislature to provide loans for the development of a Washington state biodiesel industry based on Washington grown oilseed. The legislature is aware that in the development of this industry, the start-up process may necessitate the use of other oilseeds until Washington state growers plant sufficient crops to support this industry. The legislature also understands the realities of weather and market conditions in this process. The conversion to maximum Washington grown oilseed must be accomplished as quickly as possible. The political subdivision shall: (a) Develop a plan for outreach to local growers and an estimate of when maximum Washington state oilseed-based production will be reached; (b) develop a goal for the political subdivision to return a portion of the biofuel to local oilseed producers; and (c) report this information to the department of community, trade, and economic development by December 1, 2006. The department shall report on the implementation of this section by January 1, 2007, to the appropriate committees of the legislature.

Appropriation:

<del>((State Taxable Building Construction))</del> <u>Energy Freedom</u> Account--State .....	\$9,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$9,000,000

NEW SECTION. Sec. 110. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**  
Grays Harbor PUD Bioenergy Project (06-04-852)

Appropriation:

State Building Construction Account--State .....	\$1,500,000
Energy Freedom Account--State .....	\$6,000,000
Subtotal Appropriation .....	\$7,500,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$7,500,000

Sec. 111. 2005 c 488 s 142 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**  
DEPARTMENT OF GENERAL ADMINISTRATION

Legislative Building: Rehabilitation and Capital Addition (01-1-008)

Reappropriation:

Thurston County Capital Facilities Account--State .....	<del>(\$100,000)</del>
	<u>\$214,063</u>
Prior Biennia (Expenditures) .....	\$106,280,442
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<del>(\$106,380,442)</del>
	<u>\$106,494,505</u>

NEW SECTION. Sec. 112. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**  
Pritchard-Legislative Support Building Predesign (06-2-851)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for predesign of the Joel M. Pritchard building as a legislative support facility and public cafeteria. The predesign shall include, but not be limited to, the following: (1) A rehabilitation plan addressing electrical and mechanical systems, plumbing, seismic safety, fire protection,

accessibility, energy consumption, and space use including the conversion of the upper floor stack space into usable office space or alternative uses; (2) an assessment of the facility requirements of legislative support agencies including the code reviser, the joint legislative audit and review committee, the legislative service center, and the legislative evaluation and accountability program as potential building tenants; and (3) a financing strategy for the facility that may consider a combination of funding sources including state general obligation bonds and the use of alternative financing mechanisms that utilize dedicated revenue streams through the conversion of existing lease payments into debt service payments.

Appropriation:

State Building Construction Account--State .....	\$250,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$250,000

Sec. 113. 2005 c 488 s 143 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Cherberg Building: Rehabilitation (02-1-005)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation is for the purpose of furthering the John A. Cherberg building rehabilitation project, including but not limited to the following: Project final design and initial phase of reconstruction; purchase and remodel of the two modular buildings currently owned by the Legislative building rehabilitation project; and remodel of a portion of the Joel M. Pritchard building for use as swing space during reconstruction.

(2) The appropriations in this section are subject to the following conditions and limitations:

(a) Funding is provided solely for design, construction, and other costs related to the relocation efforts associated with this project.

~~((+))~~ (b) The department may negotiate agreements with the senate for additional fees to manage the John A. Cherberg building rehabilitation project.

~~((+))~~ (c) Upon completion of the project, the temporary modular buildings shall be sold and removed, and the parking lot shall be restored and landscaped.

(d) \$5,000 of the appropriation in this section is provided solely for a competitive grant for the redesign and repair of the gnomon on the capitol campus sundial adjacent to the Cherberg building. All Washington public community and technical colleges are encouraged to submit design proposals to the Washington state arts commission by December 31, 2006. Final selection shall be made by the commission.

Reappropriation:

State Building Construction Account--State .....	\$2,500,000
--	-------------

Appropriation:

State Building Construction Account--State .....	\$12,253,000
Thurston County Capital Facilities Account--State .....	\$1,439,000
Subtotal Appropriation .....	\$13,692,000
Prior Biennia (Expenditures) .....	\$3,100,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$19,292,000

Sec. 114. 2005 c 488 s 152 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

~~((General Administration Building Rehabilitation))~~ North Capital Campus Executive Office Building(s) (06-1-002)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for predesign for replacement or renovation of the general administration building combined with the development of an office building on the block adjoining Capital Way and 11th avenue. The combined development is intended to provide: (1) Executive office space for statewide elected officials; (2) public access space for the state library collection and historically significant documents from the state archives and the state historical museum; and (3) high density general office space that can adapt to changing state needs. The project will maximize interagency sharing of support services such as information technology, printing and mailing, management and storage of supplies, reception areas, and other common functions. The project will also include sufficient parking to provide a significant net increase in parking spaces beyond what is required for the new office space. The project shall also include leasable ground floor retail space on Capital Way. The department shall consult with statewide elected officials and the city of Olympia in developing the predesign. ~~((The predesign shall evaluate the use of the Pritchard building as one of the options for use by the state library and historically significant documents from the state archives and state historical museum.))~~ Due to the intended replacement of the building adjoining Capital Way and 11th avenue, the department shall not charge the facility depreciation component of lease charges for nonprofit tenants in that facility during the 2005-2007 biennium.

Appropriation:

Thurston County Capital Facilities Account--State .....	(((\$750,000))
	<u>\$1,650,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	(((\$65,500,000))
	<u>\$312,017,000</u>
TOTAL .....	(((\$66,250,000))
	<u>\$313,667,000</u>

Sec. 115. 2005 c 488 s 156 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Statewide Office Facilities: Preservation Minor Works (06-1-003)

The appropriations in this section are subject to the following conditions and limitations: Funding is provided for electrical and elevator upgrades in the insurance building.

Appropriation:

Thurston County Capital Facilities Account--State .....	\$2,965,000
General Administration Service Account--State .....	\$1,850,000
Subtotal Appropriation .....	\$4,815,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$16,239,000
TOTAL .....	\$21,054,000

NEW SECTION. Sec. 116. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Capital Campus Master Plan (06-2-001)

Appropriation:

General Administration Services Account--State .....	\$200,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$200,000

NEW SECTION. Sec. 117. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

Senate Electronic Voting Machine (06-2-852)

Appropriation:

State Building Construction Account--State .....	\$500,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$500,000

Sec. 118. 2005 c 488 s 201 (uncodified) is amended to read as follows:

**FOR THE CRIMINAL JUSTICE TRAINING COMMISSION CRIMINAL JUSTICE TRAINING COMMISSION**

School Mapping (06-1-100)

The appropriations in this section ((is) are subject to the following conditions and limitations: ((The appropriation is provided solely for the initial mapping of schools and production of software and may not be used to supplant any local government's existing school or other building mapping program that can transfer data to a statewide first responder building mapping information system.)) Mapping of ((public buildings, including)) school buildings((s)) shall be undertaken under standards adopted by the Washington association of sheriffs and police chiefs mapping software standards as required by RCW 36.28A.070. The ((criminal justice training commission)) Washington association of sheriffs and police chiefs shall work with the office of the superintendent of public instruction to ensure school mapping is part of newly constructed or renovated construction projects ((and shall develop policies and procedures to ensure efficient use and implementation of such procedures)). For school construction projects funded through the state board of education's state school construction assistance program during the 2005-2007 biennium, the Washington association of sheriffs and police chiefs shall prioritize the initial mapping or remapping of the state board of education's state school construction assistance program projects that are colocated with schools funded by the appropriation in this

section. Additionally, the Washington association of sheriffs and police chiefs shall develop policies and procedures to ensure efficient use and implementation of such procedures.

It is the intention of the legislature that the design of new and remodeled facilities incorporate mapping and remapping as needed.

The Washington association of sheriffs and police chiefs will consult with the office of the superintendent of public instruction and report to the fiscal committees of the legislature on efficient and low-cost ways to maintain up-to-date maps.

Appropriation:

Education Construction Account--State .....	\$4,500,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$4,500,000

**Sec. 119.** 2005 c 488 s 206 (uncodified) is amended to read as follows:

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES**  
Echo Glen Children's Center - Housing Units (00-1-041)

Reappropriation:

State Building Construction Account--State .....	\$500,000
--	-----------

Appropriation:

<u>State Building Construction Account--State .....</u>	<u>\$5,800,000</u>
Prior Biennia (Expenditures) .....	\$5,605,495
Future Biennia (Projected Costs) .....	<del>(\$16,100,000)</del>
TOTAL .....	\$10,300,000
TOTAL .....	\$22,205,495

NEW SECTION. Sec. 120. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Green Hill School: New Intensive Management Unit Building, and Health Center and Administration Building (06-2-202)

Appropriation:

State Building Construction Account--State .....	\$1,250,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$12,500,000
TOTAL .....	\$13,750,000

**Sec. 121.** 2005 c 488 s 238 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Washington Information Network 2-1-1 (06-2-850)

The appropriation in this section is subject to the following conditions and limitations: The department shall require the organizations to prepare a financing plan that specifies the full cost of implementing the system statewide including capital costs and operating costs by September 1, 2006. The financing plan shall identify appropriate sources of revenue to support full implementation and ongoing operational costs. Allowable uses of appropriated funds include the purchase of software, equipment, programming, and improvements located in states adjacent to Washington and that support the 2-1-1 information network in Washington.

Appropriation:

State Building Construction Account--State .....	\$1,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$1,000,000

NEW SECTION. Sec. 122. A new section is added to 2005 c 488 (uncodified) to read as follows:

**DEPARTMENT OF VETERANS AFFAIRS**

**FOR THE DEPARTMENT OF VETERANS AFFAIRS**

Retsil Building 9 Renovation - Transient Program (06-1-008)

Appropriation:

General Fund--Federal .....	\$318,000
-----------------------------	-----------

State Building Construction Account--State .....	\$171,000
Subtotal Appropriation .....	\$489,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$489,000

**Sec. 123.** 2005 c 488 s 252 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS**  
DEPARTMENT OF CORRECTIONS

Coyote Ridge Corrections Center: Expansion (98-2-011)

The appropriations in this section are subject to the following conditions and limitations:

- (1) ~~(\$179,000,000)~~ The appropriation in this section is provided solely to design and construct a ~~(1,280)~~ 2,048 bed medium-security prison at Coyote Ridge corrections center in Connell.
- (2) The facility shall be a publicly-owned and operated facility.
- (3) The new facility shall include at least 512 hybrid-security beds that have a lower cost to construct than conventional medium security beds but still maintain a medium security perimeter.
- (4) Design of the facility shall incorporate efficiencies in administrative space and support services realized by sharing services within the region. The department shall examine other states' and private industry standard designs, and report on how efficiencies will be incorporated into the design of the facility to the office of financial management and to legislative fiscal staff not later than September 1, 2005. Nothing in this subsection requires the department to adopt design parameters that would endanger public safety or generate increased operating costs.
- (5) Once opened, a portion of the new facility shall be used to alleviate the crowded conditions in reception at the Washington corrections center in Shelton.

Reappropriation:

State Building Construction Account--State .....	\$921,140
--	-----------

Appropriation:

State Building Construction Account--State .....	<del>(\$179,000,000)</del>
	<u>\$253,400,000</u>
Prior Biennia (Expenditures) .....	\$986,347
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<del>(\$180,907,487)</del>
	<u>\$255,307,487</u>

**Sec. 124.** 2005 c 488 s 255 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS**

Monroe Corrections Center: 100-Bed Management and Segregation Unit (00-2-008)

Reappropriation:

General Fund--Federal .....	\$819,229
State Building Construction Account--State .....	<del>(\$18,674,000)</del>
	<u>\$17,747,000</u>
Subtotal Reappropriation .....	<del>(\$19,493,229)</del>
	<u>\$18,566,229</u>

Appropriation:

General Fund--Federal .....	\$927,000
Prior Biennia (Expenditures) .....	\$19,944,803
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$39,438,032

**Sec. 125.** 2005 c 488 s 264 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS**

Washington State Penitentiary: North Close Security Compound (04-2-005)

Reappropriation:

State Building Construction Account--State .....	\$124,000,000
--	---------------

Appropriation:

<del>General Fund--Federal</del> .....	<del>\$927,000</del>
State Building Construction Account--State .....	<del>(\$5,891,000)</del>

	\$6,818,000
<del>((Subtotal Appropriation</del> .....	<del>\$6,818,000))</del>
Prior Biennia (Expenditures) .....	\$9,940,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$140,758,000

NEW SECTION. Sec. 126. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS**

Washington State Penitentiary: Replace Correctional Industry Roof (06-1-023)

Appropriation:

State Building Construction Account--State .....	\$1,453,000
Charitable, Educational, Penal, and Reformatory Institutions Account--State .....	\$1,998,000
Subtotal Appropriation .....	\$3,451,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$3,451,000

**Sec. 127.** 2005 c 488 s 287 (uncodified) is amended to read as follows:

**FOR THE EMPLOYMENT SECURITY DEPARTMENT EMPLOYMENT SECURITY DEPARTMENT**

Employment Resource Center (05-2-001)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely ~~((to))~~ for services and activities including the purchase and ((install)) installation of state of the art equipment for a 40,000 square foot facility supporting work force development programs using funds available to the state in section 903(d) of the Social Security Act (Reed act).

Reappropriation:

Unemployment Compensation Administration Account--Federal .....	\$6,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$6,000,000

**Sec. 128.** 2005 c 488 s 323 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY DEPARTMENT OF ECOLOGY**

Centennial Clean Water Program (06-4-007)

The appropriations in this section are subject to the following conditions and limitations:

(1) Up to \$10,000,000 of the state building construction account--state appropriation is provided for the extended grant payment to Spokane for the Spokane-Rathdrum Prairie aquifer.

(2) \$5,000,000 of the state building construction account--state appropriation is provided solely for water quality grants for hardship communities with a population of less than 5,000. The department shall give priority consideration to: (a) Communities subject to a regulatory order from the department of ecology for noncompliance with water quality rules; (b) projects for which design work has been completed; and (c) projects with a local match from reasonable water quality rates and charges.

(3) \$1,000,000 of the state building construction account--state appropriation is provided solely to design appropriate wastewater treatment facilities to serve the Hoodspout to Skokomish reservation areas of Hood Canal. The exact facilities will be based upon the recommendations from an analysis of wastewater management options for the Hoodspout to Skokomish river currently being undertaken by Mason county.

(4) \$750,000 of the state building construction account--state appropriation is provided solely for assistance in management and clean up activities at Long Lake in Kitsap county and \$50,000 of the state building construction account--state appropriation is provided solely for assistance in cleaning up Wapato Lake in Pierce county. The assistance is contingent on the lake communities adopting a lake management plan that meets the department's requirement.

(5) \$320,000 of the water quality account--state appropriation is provided solely to Mason county to develop a septic system data base and identify failing septic systems in Hood Canal.

(6) \$70,000 of the water quality account--state appropriation is provided solely to Kitsap county for surveys of septic systems in Hood Canal.

(7) \$70,000 of the water quality account--state appropriation is provided solely to Jefferson county for surveys of septic systems in Hood Canal.

(8) Up to \$1,500,000 of the water quality account--state appropriation is provided solely for grants for on-site sewage replacement. This appropriation may be used to: (a) Establish new or expand existing on-site sewage repair and replacement loan or grant programs by county governments or tribes; or (b) develop a pilot program to administer an on-site sewage repair and replacement loan program through a qualified

private or nonprofit lending institution. This appropriation must be used in conjunction with the water pollution control revolving account--state appropriation in section 132 of this act provided for this purpose. Of this amount, up to \$1,000,000 may be used to help financially distressed homeowners repair and replace failing on-site sewage systems, and up to \$500,000 may be used to help local governments plan, implement, and administer the local loan fund assistance programs. The total overall local government and tribal administration costs may not exceed seven percent of the total statewide grant and loan on-site program. The department must report on the use of these funds to the Puget Sound water quality action team as part of its activities under the 2005-2007 Puget Sound conservation and recovery plan.

(9) \$3,500,000 of the state toxics control account--state appropriation is provided solely for wastewater treatment upgrades at Twanoh, Dosewallips, Fort Casey, Fort Ebey, Birch Bay, and Sequim Bay state parks.

(10) \$1,000,000 of the state toxics control account--state appropriation is provided solely for the city of Carnation wastewater treatment facility.

(11) The remaining appropriation in this section is provided for statewide water quality implementation and planning grants and loans.

Appropriation:

State Building Construction Account--State .....	\$20,000,000
Water Quality Account--State .....	(((\$7,500,000))
	<u>\$9,000,000</u>
State Toxics Control Account--State .....	(((\$10,500,000))
	<u>\$15,000,000</u>
Subtotal Appropriation .....	(((\$38,000,000))
	<u>\$44,000,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$211,808,000
TOTAL .....	(((\$249,808,000))
	<u>\$255,808,000</u>

**Sec. 129.** 2005 c 488 s 324 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

State Drought Preparedness (05-4-009)

The reappropriation in this section is subject to the following conditions and limitations:

(1) The reappropriation in this section is provided solely for response to the statewide drought that was declared pursuant to chapter 43.83B RCW. The department of ecology may provide funding or compensation for purchase or lease of water rights and to public bodies as defined in RCW 43.83B.050 in connection with projects and measures designed to alleviate drought conditions which may affect: Public health and safety; drinking water supplies; agricultural activities; or fish and wildlife survival.

(2) Projects or measures for which funding or compensation will be provided must be connected with a water system, water source, or water body which is receiving, or has been projected to receive, less than seventy-five percent of normal water supply, as the result of natural drought conditions. This reduction in water supply must be such that it is causing, or will cause, undue hardship for the entities or fish or wildlife depending on the water supply. General criteria for guidelines to be established by the department of ecology for distribution of funds must include: A balanced and equitable distribution of the funds among the different sectors affected by drought; a funding process that ensures funds are available for drought impacts that arise both early and later during the course of the drought; and preference for projects that leverage other federal and local funds.

(3) Up to \$1,500,000 of the reappropriation in this section is provided to the Roza irrigation district for the purchase or lease of water rights.

(4) Of the funds provided in this section, \$150,000 is provided solely to support the development and demonstration of water management measures in the Walla Walla Basin that improve and protect instream flow and water quality, and which also help sustain agricultural and economic vitality. The director of the department shall report to the legislature by December 31, 2006, with any findings, conclusions, and recommendations regarding such water management measures.

(5) \$50,000 of the reappropriation in this section is provided solely to Chelan county to assess the feasibility of storing water in Campbell creek canyon to supplement instream flows in Peshastin creek, as part of the Peshastin irrigation district.

Reappropriation:

State Drought Preparedness Account--State .....	(((\$8,200,000))
	<u>\$7,230,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	(((\$8,200,000))
	<u>\$7,230,000</u>

**Sec. 130.** 2005 c 488 s 325 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

Local Toxics Grants for Clean up and Prevention (06-4-008)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$4,000,000 of the appropriation is provided solely for grants to local governments for local projects that implement the state "never waste" plan. Grant funds will emphasize additional organics composting and conversion, green building, and moderate risk waste projects described in the plan. Of this amount, up to \$1,600,000 may be used for one-time funding for auto switch recycling consistent with the memorandum of agreement being finalized with the auto recyclers association.

(2) \$2,000,000 of the appropriation is provided for emission reduction projects for local governments to retrofit public sector diesel engines with exhaust emission control devices or to make other modifications or operational changes, including cleaner fuels, to allow public sector fleets to reduce their emissions.

(3) \$3,000,000 of the appropriation is provided solely for grants to local governments needing assistance in complying with the new phase II storm water permit requirements. Of this amount, \$300,000 is provided solely for Mason county to prepare storm water management plans for Belfair and Hoodport consistent with the storm water program in the Puget Sound conservation and recovery plan.

(4) ~~(\$60,000,000)~~ \$70,900,000 of the appropriation is provided solely for remedial action grants. Of this amount, \$1,000,000 is provided to the town of Warden to respond to contamination of their existing water system.

(5) From within this appropriation, the department shall prepare an online guide to help small businesses and homeowners learn what to do if they discover toxic wastes on their property. The guide shall provide information about local resources for clean up and disposal of toxic wastes.

(6) \$8,000,000 of the appropriation is provided solely for coordinated prevention grants provided to local governments for local government solid and hazardous waste planning, household and small business hazardous waste collection and disposal, recycling capital purchases and program development, and local solid waste enforcement.

Appropriation:

Local Toxics Control Account--State .....	(( <del>\$80,000,000</del> ))
	<u>\$98,900,000</u>
Prior Biennia (Expenditures) .....	\$45,000,000
Future Biennia (Projected Costs) .....	\$180,000,000
TOTAL .....	(( <del>\$315,000,000</del> ))
	<u>\$323,900,000</u>

**Sec. 131.** 2005 c 488 s 327 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

Safe Soil Remediation and Awareness Projects (06-2-001)

Appropriation:

State Toxics Control Account--State .....	(( <del>\$2,000,000</del> ))
	<u>\$5,000,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	(( <del>\$2,000,000</del> ))
	<u>\$5,000,000</u>

**Sec. 132.** 2005 c 488 s 329 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

Water Pollution Control Revolving Account (06-4-002)

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall give priority loan funding consideration to on-site septic system rehabilitation and replacement programs in Mason, Kitsap, and Jefferson counties for at least \$1,000,000 from the water pollution control revolving account--state in the second year of the funding cycle.

(2) Up to \$5,000,000 of the water pollution control revolving account--state appropriation is provided solely for loans for on-site sewage replacement. This appropriation may be used to: (a) Establish new or expand existing on-site sewage repair and replacement loan programs by county governments or tribes; or (b) develop a pilot program to administer an on-site sewage repair and replacement loan program through a qualified private or nonprofit lending institution. This appropriation must be used in conjunction with water quality account--state appropriation in section 128 of this act provided for this purpose. The department must work with the department of health, the Puget Sound water quality action team, local governments, and the lending industry in developing and piloting this program. The department shall provide a status report on the loan program to the governor and the appropriate legislative fiscal committees by June 30, 2007, including any recommendations for improving the program. The department must report on the use of these funds to the Puget Sound water quality action team as part of its activities under the 2005-2007 Puget Sound conservation and recovery plan.

Appropriation:

Water Pollution Control Revolving Account--State .....	\$162,839,146
--	---------------

Water Pollution Control Revolving Account--Federal .....	\$76,777,140
Subtotal Appropriation .....	\$239,616,286
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$912,000,000
TOTAL .....	\$1,151,616,286

NEW SECTION. Sec. 133. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

Motor Vehicle Mercury Removal Program (06-2-850)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is for one-time funding to implement the memorandum of agreement establishing the Washington motor vehicle mercury switch removal program. If chapter ... (Second Substitute House Bill No. 1731), Laws of 2006 is enacted by June 30, 2006, then the amount in this section shall be appropriated to the Hood Canal aquatic rehabilitation program under the interagency committee for outdoor recreation in section 148 of this act.

Appropriation:

State Toxics Control Account--State .....	\$1,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$1,000,000

NEW SECTION. Sec. 134. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

Early Spill Response Equipment Caching (06-1-003)

The appropriation in this section is subject to the following conditions and limitations: \$1,450,000 of the appropriation is provided solely for grants to local governments to secure and place hazardous material spill response equipment at critical locations around the state. Grant funds will emphasize strategic placement of equipment that will allow for quick access and deployment by state, local, or tribal responders in the event of a spill.

Appropriation:

Local Toxics Control Account--State .....	\$1,450,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$1,450,000

NEW SECTION. Sec. 135. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

Local Innovative Storm Water Grants (06-2-006)

The appropriation in this section is subject to the following conditions and limitations: This appropriation is provided solely for grants to local governments in Puget Sound to fund innovative, low-impact development storm water management projects to meet critical storm water management needs and protect or restore water quality. Projects may include use of bioretention, rainwater harvest, permeable pavement, vegetated roofs, and other low-impact development techniques. Projects funded in Puget Sound must meet the design guidelines contained in the low impact development technical guidance manual for Puget Sound, unless the municipality can demonstrate that site conditions warrant a deviation from the design guidelines and the deviations in design shall provide similar performance. All projects must include performance monitoring. The department must report on the use of these funds to the Puget Sound water quality action team as part of its activities under the 2005-2007 Puget Sound conservation and recovery plan.

Appropriation:

State Building Construction Account--State .....	\$2,500,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$2,500,000

NEW SECTION. Sec. 136. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

Waste Tire Clean Up (06-1-002)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely for the department to initiate clean up of waste tires at the highest risk sites statewide. This clean up work must include major progress at the Goldendale site in Klickitat county.

Appropriation:

Waste Tire Removal Account--State .....	\$4,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$4,000,000

NEW SECTION. Sec. 137. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

Clean Up Toxics Sites - Puget Sound (06-4-001)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided for the clean up of contaminated sites that lie adjacent to and are within one-half mile of Puget Sound. Clean ups must include orphan and abandoned sites that pose a threat to Puget Sound with the highest priority sites being cleaned up first. The department must report on the use of these funds to the Puget Sound water quality action team as part of its activities under the 2005-2007 Puget Sound conservation and recovery plan.

Appropriation:

State Toxics Control Account--State .....	\$4,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$4,000,000

NEW SECTION. Sec. 138. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

Clean Up Toxic Sites - Upland and Aquatics (06-1-005)

The appropriation in this section is subject to the following conditions and limitations: The department must report on the use of these funds to the Puget Sound water quality action team as part of its activities under the 2005-2007 Puget Sound conservation and recovery plan.

Appropriation:

State Toxics Control Account--State .....	\$5,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$5,000,000

NEW SECTION. Sec. 139. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

Columbia River Basin Water Supply Development Program (06-2-950)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for implementation of the Columbia river basin water supply development program in chapter ... (Engrossed Second Substitute House Bill No. 2860), Laws of 2006.

Appropriation:

Columbia River Basin Water Supply Development Account--State .....	\$10,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$10,000,000

**Sec. 140.** 2005 c 488 s 340 (uncodified) is amended to read as follows:

STATE PARKS AND RECREATION COMMISSION

**FOR THE STATE PARKS AND RECREATION COMMISSION**

Minor Works: Facility Preservation (04-1-001)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations in this section are provided solely to continue minor works projects that reduce the deferred maintenance backlog.

Reappropriation:

State Building Construction Account--State .....	\$147,269
Parks Renewal and Stewardship Account--State .....	<del>(\$2,600,000)</del>
	<u>\$679,079</u>
Subtotal Reappropriation .....	<del>(\$2,747,269)</del>
	<u>\$826,348</u>
Prior Biennia (Expenditures) .....	\$4,990,231
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<del>(\$7,737,500)</del>
	<u>\$5,816,579</u>

Sec. 141. 2005 c 488 s 341 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**  
Parkland Acquisition (04-2-013)

Reappropriation:

Parkland Acquisition Account--State .....	<del>(\$412,690)</del>
	<u>\$191,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<del>(\$412,690)</del>
	<u>\$191,000</u>

Sec. 142. 2005 c 488 s 342 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**  
Recreation Development (04-2-002)

The reappropriation in this section is subject to the following conditions and limitations:

(1) Up to \$100,000 of the reappropriation shall be used to retain a consultant to conduct a predesign study for a headquarters building located in Thurston county. The predesign shall compare a new leased facility against options to build and evaluate appropriate funding strategies.

(2) ~~(\$900,000)~~ Up to \$700,000 of the reappropriation is provided ~~(solely)~~ to install fee collection stations at selected parks statewide. Any unused funding of this reappropriation may be expended on other recreation development projects.

(3) In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the commission shall file quarterly project progress reports with the office of financial management.

Reappropriation:

State Building Construction Account--State .....	\$700,000
Prior Biennia (Expenditures) .....	\$2,200,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$2,900,000

Sec. 143. 2005 c 488 s 346 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**  
Beacon Rock - Pierce Trust (06-1-030)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation in this section is provided solely for improvements to ~~(the group camp at)~~ Beacon Rock state park.
- (2) The funding has been provided solely and directly for this project.

Appropriation:

Parks Renewal and Stewardship Account--Private/Local .....	\$350,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$350,000

NEW SECTION. Sec. 144. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**

Sustainable Development and Restoration (06-1-011)

Appropriation:

State Building Construction Account--State .....	\$500,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$500,000

**Sec. 145.** 2005 c 488 s 360 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**

Parkland Acquisition Account (06-2-020)

The appropriation in this section is subject to the following conditions and limitations: The state parks and recreation commission shall provide lists of potential purchases and sales to the office of financial management and the legislature prior to committing the state parks and recreation commission to any sale or purchase of land or buildings and prior to any allotments made for those purchases. Included in the lists will be any potential operating or capital cost impacts known to the state parks and recreation commission.

Appropriation:

Parkland Acquisition Account--State .....	(\$4,000,000)
	<u>\$6,000,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$16,000,000
TOTAL .....	<u>(\$20,000,000)</u>
	<u>\$22,000,000</u>

**Sec. 146.** 2005 c 488 s 365 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**

Park Development (06-1-950)

The appropriation in this section is subject to the following conditions and limitations:

- (1) \$250,000 is provided solely to construct a pedestrian/emergency vehicle access bridge across Connor creek to allow for beach access.
- (2) \$500,000 is provided solely to determine long-term park zoning, design park amenities and services, and provide site permit and initial construction development at Nisqually-Mashel. The state parks and recreation commission shall provide a predesign in accordance with the office of financial management's predesign instructions.
- (3) \$150,000 is provided solely for initial park development at Sequim Bay-Miller Peninsula. The state parks and recreation commission shall provide a predesign in accordance with the office of financial management's predesign instructions.

Appropriation:

State Building Construction Account--State .....	\$900,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$900,000

NEW SECTION. Sec. 147. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**

Hood Canal Wastewater and Improvement Projects (06-1-850)

Appropriation:

Hood Canal Aquatic Rehabilitation Bond Account--State .....	\$6,400,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$6,400,000

NEW SECTION. Sec. 148. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Hood Canal Aquatic Rehabilitation Program (06-4-850)

The appropriation in this section is subject to the following conditions and limitations:

(1) The Puget Sound action team and the local management board shall develop a list of projects, studies, and activities relating to the recovery of Hood Canal in accordance with RCW 90.88.030. The list developed shall be based upon the project's likely value in addressing and resolving Hood Canal's low-dissolved oxygen concentrations.

(2) The Puget Sound action team and the local management board shall recommend to the interagency committee for outdoor recreation and the governor a prioritized list of projects to be funded under subsection (1) of this section. The governor may remove projects from the list recommended by the Puget Sound action team and the local management board and shall submit this amended list in the capital budget request to the legislature. The list shall include, but not be limited to, a description of each project and the amount of recommended state funding.

(3) The interagency committee for outdoor recreation shall not sign contracts or otherwise financially obligate funds from the Hood Canal aquatic rehabilitation bond account before the legislature has appropriated funds for a specific list of projects. The legislature may remove projects from the list recommended by the Puget Sound action team and the local management board.

Appropriation:

Hood Canal Aquatic Rehabilitation Bond Account--State .....	\$1,000,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$42,600,000
TOTAL .....	\$43,600,000

Sec. 149. 2005 c 488 s 368 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Firearms and Archery Range Program (FARP) (98-2-004)

Reappropriation:

Firearms Range Account--State .....	<del>(\$31,478)</del>
	<u>\$61,478</u>
Prior Biennia (Expenditures) .....	\$542,191
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<del>(\$573,669)</del>
	<u>\$603,669</u>

Sec. 150. 2005 c 488 s 369 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Nonhighway Off-road Vehicle Program (NOVA) (98-2-002)

Reappropriation:

Nonhighway and Off-Road Vehicle Activities Program Account--State .....	<del>(\$1,243,986)</del>
	<u>\$1,322,986</u>
Prior Biennia (Expenditures) .....	\$9,851,937
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<del>(\$11,095,923)</del>
	<u>\$11,174,923</u>

Sec. 151. 2005 c 488 s 370 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Washington Wildlife and Recreation Program (WWRP) (98-2-003)

The reappropriations in this section are subject to the following conditions and limitations: Any amount of the reappropriations that is not obligated to a specific project may be used to fund alternate projects approved by the legislature from the same account in biennia succeeding that in which the moneys were originally appropriated.

Reappropriation:

Outdoor Recreation Account--State .....	\$4,547,515
Habitat Conservation Account--State .....	<del>(\$1,170,894)</del>
	<u>\$4,382,894</u>
Subtotal Reappropriation .....	<del>(\$5,718,409)</del>
	<u>\$8,930,409</u>

Prior Biennia (Expenditures) .....	\$71,883,173
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<u>(\$77,601,582)</u>
	<u>\$80,813,582</u>

Sec. 152. 2005 c 488 s 372 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Salmon Recovery Funding Board Programs (SRFB) (00-2-001)

Reappropriation:

General Fund--Federal .....	<u>(\$11,227,424)</u>
	\$13,320,424
Salmon Recovery Account--State .....	<u>(\$2,366,010)</u>
	\$3,597,010
Subtotal Reappropriation .....	<u>(\$13,593,434)</u>
	\$16,917,434

Prior Biennia (Expenditures) .....	\$88,031,707
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<u>(\$101,625,141)</u>
	<u>\$104,949,141</u>

Sec. 153. 2005 c 488 s 376 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Firearms and Archery Range Program (02-0-001)

Reappropriation:

Firearms Range Account--State .....	<u>(\$44,677)</u>
	\$120,677

Prior Biennia (Expenditures) .....	\$355,323
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<u>(\$400,000)</u>
	<u>\$476,000</u>

Sec. 154. 2005 c 488 s 382 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Wildlife and Recreation Program (WWRP) (02-4-003)

The reappropriations in this section are subject to the following conditions and limitations: Any amount of the reappropriations that is not obligated to a specific project may be used to fund projects in the following order: (1) The department of natural resources Cypress Island project; and (2) alternate projects approved by the legislature from the same account in biennia succeeding that in which the funds were originally appropriated.

Reappropriation:

Outdoor Recreation Account--State .....	<u>(\$2,041,864)</u>
	\$3,525,864
Habitat Conservation Account--State .....	\$6,928,926
Subtotal Reappropriation .....	<u>(\$8,970,790)</u>
	<u>\$10,454,790</u>

Prior Biennia (Expenditures) .....	\$36,029,210
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<u>(\$45,000,000)</u>
	<u>\$46,484,000</u>

Sec. 155. 2005 c 488 s 385 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Boating Facilities Program (BFP) (04-4-003)

Reappropriation:

Recreation Resources Account--State .....	<u>(\$3,753,480)</u>
---	----------------------

\$4,484,480

Prior Biennia (Expenditures) .....	\$3,753,479
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<u>(\$7,506,959)</u>
	<u>\$8,237,959</u>

**Sec. 156.** 2005 c 488 s 386 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Firearms and Archery Range Program (04-4-006)

Reappropriation:

Firearms Range Account--State .....	<u>(\$144,997)</u>
	<u>\$154,997</u>

Prior Biennia (Expenditures) .....	\$105,003
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<u>(\$250,000)</u>
	<u>\$260,000</u>

**Sec. 157.** 2005 c 488 s 387 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Family Forest Fish Blockages Program (04-4-011)

Reappropriation:

State Building Construction Account--State .....	<u>(\$780,379)</u>
	<u>\$1,191,379</u>

Prior Biennia (Expenditures) .....	\$1,219,621
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<u>(\$2,000,000)</u>
	<u>\$2,411,000</u>

**Sec. 158.** 2005 c 488 s 390 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

National Recreation Trails Program (NRTP) (04-4-008)

Reappropriation:

General Fund--Federal .....	<u>(\$1,130,000)</u>
	<u>\$1,447,000</u>

Prior Biennia (Expenditures) .....	\$1,130,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<u>(\$2,260,000)</u>
	<u>\$2,577,000</u>

**Sec. 159.** 2005 c 488 s 391 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Nonhighway and Off-Road Vehicle Activities Program (NOVA) (04-4-004)

Reappropriation:

NOVA Program Account--State .....	<u>(\$5,492,729)</u>
	<u>\$5,620,729</u>

Prior Biennia (Expenditures) .....	\$1,433,581
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<u>(\$6,926,310)</u>
	<u>\$7,054,310</u>

**Sec. 160.** 2005 c 488 s 392 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Salmon Recovery Funding Board Programs (SRFB) (04-4-001)

Reappropriation:

General Fund--Federal .....	(( <del>\$32,832,305</del> ))
	<u>\$35,876,305</u>
State Building Construction Account--State .....	(( <del>\$11,500,000</del> ))
	<u>\$13,885,000</u>
Subtotal Reappropriation .....	(( <del>\$44,332,305</del> ))
	<u>\$49,761,305</u>
Prior Biennia (Expenditures) .....	\$1,000,000
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	(( <del>\$45,332,305</del> ))
	<u>\$50,761,305</u>

**Sec. 161.** 2005 c 488 s 398 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
 Family Forest Fish Passage Program (06-4-011)

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriation is provided solely for the salmon recovery funding board in consultation with the small forest landowner office of the department of natural resources and the department of fish and wildlife to provide grants to correct fish passage blockages on nonindustrial forest lands. Selection of projects must be coordinated with the other salmon recovery grant programs provided in section 403 of this act.

(2) In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the committee shall file quarterly project progress reports with the office of financial management.

Appropriation:

State Building Construction Account--State .....	\$4,150,000
General Fund--Federal .....	<u>\$217,000</u>
Subtotal Appropriation .....	<u>\$4,367,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	(( <del>\$4,150,000</del> ))
	<u>\$4,367,000</u>

**Sec. 162.** 2005 c 488 s 401 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
 Nonhighway and Off-Road Vehicle Program (NOVA) (06-4-004)

The appropriation in this section is subject to the following conditions and limitations: \$345,000 of the appropriation is for implementation of the off-road vehicle data base authorized in chapter ... (Substitute House Bill No. 2658), Laws of 2006. If the bill is not enacted by June 30, 2006, the amount in this section shall be used for the nonhighway and off-road vehicle program.

Appropriation:

Nonhighway and Off-Road Vehicle Activities Program Account--State .....	\$7,579,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$39,946,858
TOTAL .....	<u>\$47,525,858</u>

**Sec. 163.** 2005 c 488 s 402 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**  
 National Recreation Trails Program (NRTP) (06-4-008)

The appropriation in this section is subject to the following conditions and limitations: \$500,000 is provided solely for mountains to sound greenway outdoor recreation projects on the I-90 corridor located in King county and western Kittitas county. Projects must be recreational or scenic in nature, including recreational trail development and expansion, visitor facilities enhancement, sign location, snopark improvements, and property acquisition.

Appropriation:

General Fund--Federal .....	(( <del>\$2,350,000</del> ))
	<u>\$2,800,000</u>

Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$9,400,000
TOTAL .....	<del>(\$11,750,000)</del>
	<u>\$12,200,000</u>

**Sec. 164.** 2005 c 488 s 395 (uncodified) is amended to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Boating Facilities Program (BFP) (06-4-003)

The appropriation in this section is subject to the following conditions and limitations: Any amount of the appropriation that is not obligated to a specific project in the first application round shall be used to fund boat sewage disposal facilities.

Appropriation:

Recreation Resources Account--State .....	<del>(\$8,350,000)</del>
	<u>\$7,271,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$36,597,535
TOTAL .....	<del>(\$44,947,535)</del>
	<u>\$43,868,535</u>

NEW SECTION. **Sec. 165.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

Local Parks - Level of Service Standard Study (06-2-851)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely for the interagency committee for outdoor recreation to develop recommendations for a statewide approach to a recreation level of service for local and regional active recreation facilities, including indicators with which to measure progress in achieving level of service objectives. The recommendations must be coordinated with those of the priorities of government effort. The interagency committee for outdoor recreation shall also recommend standardized definitions for types of parks and recreational facilities, and a process for periodically measuring performance indicators and reporting the results. The interagency committee for outdoor recreation may enter into a contract with an entity with expertise in parks facility planning, level of service standards, and geographic information systems.

(2) The interagency committee for outdoor recreation shall submit a report to the appropriate committees of the legislature by January 1, 2007. The report must include the following: (a) Level of service standards including individual participation measures; (b) service area analysis using geographic information system tools and techniques; and (c) recommendations to incorporate level of service reporting into grant-in-aid programs.

Appropriation:

Youth Athletic Facility Account--State .....	\$50,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$50,000

**Sec. 166.** 2005 c 488 s 414 (uncodified) is amended to read as follows:

**FOR THE STATE CONSERVATION COMMISSION**

Skokomish Anaerobic Digester (06-4-009)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for a grant to the Mason conservation district for construction of an anaerobic digester in the Skokomish river watershed. Up to ~~(\$50,000)~~ \$65,000 of this amount may be spent on completing design concepts and feasibility analysis. The remaining funds shall be allotted only after the following has occurred: (1) Mason conservation district secures nonstate matching funds or in-kind contributions of at least twenty-five percent of the total project cost; (2) a feasibility study is completed and submitted to the Puget Sound action team and the state conservation commission; and (3) the Puget Sound action team and the state conservation commission approve the project proposal.

Appropriation:

State Building Construction Account--State .....	\$560,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$560,000

**Sec. 167.** 2005 c 488 s 425 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Facility, Infrastructure, Lands, and Access Condition Improvements (06-1-002)

The appropriations in this section are subject to the following limitations: \$5,000 of the appropriation in this section is provided solely for bank stabilization of the south Toledo access road.

Appropriation:

General Fund--Federal .....	\$650,000
State Building Construction Account--State .....	\$6,457,000
Subtotal Appropriation .....	\$7,107,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$26,600,000
TOTAL .....	\$33,707,000

**Sec. 168.** 2005 c 488 s 427 (uncodified) is amended to read as follows:

**DEPARTMENT OF FISH AND WILDLIFE FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Fish and Wildlife Population and Habitat Protection (06-1-003)

The appropriations in this section are subject to the following conditions and limitations:

~~((2))~~ (1) It is the intent of the legislature that expenditures from the wildlife account--state appropriation shall only be made to the extent funds are available in the account and will not result in a reduction to other programs or activities.

(2) The department of fish and wildlife, in coordination with the department of natural resources, shall pursue claims against the Columbia rural electric association and Asplundh for damage to state property caused by the school fire in the Wooten wildlife area. Any compensation received from such claims will be deposited in the state wildlife account.

Appropriation:

General Fund--Federal .....	\$2,830,000
General Fund--Private/Local .....	\$3,500,000
State Building Construction Account--State .....	\$500,000
Wildlife Account--State .....	\$600,000
Subtotal Appropriation .....	\$7,430,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$34,920,000
TOTAL .....	\$42,350,000

NEW SECTION. **Sec. 169.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Land Acquisition Pass-Thru Grants (06-4-018)

Appropriation:

Wildlife Account--Federal .....	\$3,300,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$3,300,000

NEW SECTION. **Sec. 170.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

Department of Natural Resources - Department of Fish and Wildlife Land Exchange - Shrub Steppe (06-2-851)

The appropriation in this section is subject to the following conditions and limitations: Funding is provided solely to appraise the value of lands for exchange with the department of natural resources. Forest lands transferred to the department of natural resources under this section shall be actively managed by the department under a cooperative agreement with surrounding public and private landowners to implement landscape scale restoration and other management objectives.

Appropriation:

State Building Construction Account--State .....	\$500,000
Prior Biennia (Expenditures) .....	\$0

Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$500,000

**NEW SECTION. Sec. 171.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**  
Alternative Mitigation Exchange Service (06-2-852)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for contract services with the association of Washington cities and the Washington state association of counties for the purpose of developing and demonstrating an alternative mitigation exchange service in Vancouver and Clark county. The purposes of the exchange are to improve the environmental value of permit decision-making and to accomplish permit streamlining objectives.

Appropriation:

State Building Construction Account--State .....	\$200,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$200,000

**NEW SECTION. Sec. 172.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**  
Estuary and Salmon Restoration in Puget Sound (06-2-001)

The appropriation in this section is subject to the following conditions and limitations:

- (1) The appropriation is provided solely for nearshore estuary and shoreline projects supporting salmon recovery in Puget Sound.
- (2) Project selection and funding decisions shall be submitted for approval to the executive committee of the Puget Sound nearshore partnership between the department and the United States army corps of engineers.
- (3) Funded projects require a nonstate match or in-kind contributions. The match requirements must be approved by the executive committee identified in subsection (2) of this section.
- (4) Project selection and funding decisions must be coordinated with the salmon recovery funding board to ensure that project funding and matching requirements are maximized to the greatest extent possible.
- (5) The department shall not utilize any amount of this appropriation to support administration or overhead. Funding to support the administration of the funds and the implementation of selected projects must be obtained from the department's operating budget.
- (6) Eligible projects must be within Puget Sound and identified in a current salmon recovery plan.
- (7) All funds must be obligated to a specific project or projects no later than October 15, 2006.
- (8) The department shall submit a report to the legislature and the office of financial management by November 1, 2006. The report must describe the status of all projects authorized for funding under this appropriation, including project location, implementation timeline, performance measures, funding structure, matching funds, and expected results.

Appropriation:

State Building Construction Account--State .....	\$2,500,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$5,000,000
TOTAL .....	\$7,500,000

**Sec. 173.** 2005 c 488 s 443 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**  
DEPARTMENT OF NATURAL RESOURCES  
Land Bank (06-2-015)

The appropriation in this section is subject to the following conditions and limitations: The department shall prepare an inventory of acquisitions, sales, transfers, or exchanges of water rights within the past ten years. This inventory shall be submitted in a report to the appropriate committees of the legislature by December 1, 2006. The report shall also estimate the cost of a study to inventory all water rights that are connected to existing state lands.

Appropriation:

Resources Management Cost Account--State .....	<del>(\$5,000,000)</del> \$43,000,000
Prior Biennia (Expenditures) .....	\$10,462,000
Future Biennia (Projected Costs) .....	\$40,000,000

TOTAL ..... ((~~\$55,462,000~~))  
\$93,462,000

**Sec. 174.** 2005 c 488 s 451 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

Small Timber Landowner (FREP) (06-2-019)

The appropriation in this section is subject to the following conditions and limitations:

(1) In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the department shall file quarterly project progress reports with the office of financial management.

(2) The department may not expend more than ((~~\$200,000~~)) \$300,000 of the appropriation for administrative or staff costs.

Appropriation:

State Building Construction Account--State .....	\$8,000,000
Prior Biennia (Expenditures) .....	\$7,750,000
Future Biennia (Projected Costs) .....	\$40,000,000
TOTAL .....	\$55,750,000

NEW SECTION. **Sec. 175.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

Federal HCP Land Acquisition Grants (06-2-950)

Appropriation:

General Fund--Federal .....	\$6,720,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$6,720,000

**Sec. 176.** 2005 c 488 s 453 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

Statewide Aquatic Restoration Projects (06-2-008)

The appropriations in this section are subject to the following conditions and limitations: \$2,000,000 of the state toxics control account--state appropriation is provided solely for costs related to removal of creosote logs and pilings in Puget Sound.

Appropriation:

Aquatic Lands Enhancement Account--State .....	\$300,000
State Toxics Control Account--State .....	\$2,000,000
State Building Construction Account--State .....	\$150,000
Subtotal Appropriation .....	(( <del>\$450,000</del> )) <u>\$2,450,000</u>
Prior Biennia (Expenditures) .....	\$200,000
Future Biennia (Projected Costs) .....	\$1,200,000
TOTAL .....	(( <del>\$1,850,000</del> )) <u>\$3,850,000</u>

NEW SECTION. **Sec. 177.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

Old Growth Forest Inventory (06-2-855)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is provided solely to conduct an inventory of old growth forests located on state lands east of the crest of Cascade mountains. The inventory is intended to be a continuation of the inventory conducted pursuant to section 905, chapter 277, Laws of 2004, and must be completed in two phases.

(2) In conducting the inventory required by this section, the department of natural resources shall reconvene a scientific panel with membership consistent with the structure created in section 905, chapter 277, Laws of 2004, and direct the panel to review the best available applicable scientific information. The panel shall also develop a definition for old-growth trees and stands located east of the crest of the Cascade mountains using attributes measured in department of natural resources inventory plots.

(3) The first phase of the inventory required by this section shall be completed by July 1, 2007. In the first phase, the panel shall identify reference stands for old-growth ponderosa pine, dry mixed conifer species, and pine-oak plant associations.

(4) The second phase of the inventory required by this section shall be completed by December 15, 2007. In the second phase, the department of natural resources shall use the definition provided by the scientific panel under subsection (2) of this section to produce an inventory of old growth forests located on state lands east of the crest of Cascade mountains. The inventory must include:

(a) Maps that illustrate the distribution of forest stands containing old-growth ponderosa pine, dry mixed-conifer species, and pine-oak plant associations, including sites with residual old-growth ponderosa pine trees; and

(b) Tables describing the number of acres of old-growth stands in each county, forest type, and department of natural resources' administrative unit.

(5) The department of natural resources shall report the information required by this section to the appropriate committees of the legislature.

(6) Until the completion of the inventory required by this section, the department of natural resources may not cut or remove any Douglas fir, ponderosa pine, or larch trees from state lands located east of the crest of the Cascade mountains if the tree is one hundred sixty years in age or older and has a diameter of twenty-eight inches or more when measured at breast height, unless removal of the tree is determined by the department of natural resources to be necessary to prevent an imminent physical or ecological hazard or otherwise satisfy a safety concern.

Appropriation:

State Building Construction Account--State .....	\$100,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$100,000

Sec. 178. 2005 c 488 s 460 (uncodified) is amended to read as follows:

DEPARTMENT OF AGRICULTURE **FOR THE DEPARTMENT OF AGRICULTURE**  
Hop Initiative (06-1-951)

Appropriation:

State Building Construction Account--State .....	<del>(\$500,000)</del>
	<u>\$1,000,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<del>(\$500,000)</del>
	<u>\$1,000,000</u>

Sec. 179. 2005 c 488 s 601 (uncodified) is amended to read as follows:

STATE BOARD OF EDUCATION **FOR THE STATE BOARD OF EDUCATION**  
Common School Construction Account Deposits

The appropriations in this section are subject to the following conditions and limitations:

(1) ~~(\$15,000,000)~~ \$33,766,000 in fiscal year 2006 and \$15,000,000 in fiscal year 2007 of the education savings account appropriation shall be deposited in the common school construction account.

(2) \$99,737,000 of the education construction account appropriation shall be deposited in the common school construction account.

Appropriation:

Education Savings Account--State .....	<del>(\$30,000,000)</del>
	<u>\$48,766,000</u>
Education Construction Account--State .....	\$99,737,000
Subtotal Appropriation .....	<del>(\$129,737,000)</del>
	<u>\$148,503,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<del>(\$129,737,000)</del>
	<u>\$148,503,000</u>

Sec. 180. 2005 c 488 s 605 (uncodified) is amended to read as follows:

**FOR THE STATE BOARD OF EDUCATION**  
School Construction Assistance Program (06-4-100)

The appropriations in this section are subject to the following conditions and limitations:

(1) For state assistance grants for purposes of calculating square foot eligibility, kindergarten student headcount shall not be reduced by fifty percent.

(2)(a) \$14,439,000 from this appropriation is provided solely for projects at skills centers that are included on the prioritized list of capital items and major capital project list submitted by the state board of education (~~and~~).

(b) \$150,000 from this appropriation is provided solely for a comprehensive feasibility study for the development of a skills center in Skagit county.

(c) \$400,000 from this appropriation is provided solely for comprehensive feasibility studies for the development of skills centers in the following targeted areas: Moses Lake, northeast King county, Pierce county, and Seattle. Skills centers shall submit a budget plan to the state board of education and the appropriate fiscal committees of the legislature for proposed expenditures and the proposed expenditures shall conform to state board of education rules and procedures for reimbursement of capital items. The state board of education shall develop a plan to include skills center capital requests within the state construction assistance program.

(3) \$156,155,000 of this appropriation is provided solely to increase the area cost allowance by \$12.14 per square foot for grades K-12 for fiscal year 2006, an additional \$12.27 per square foot for grades K-12 for fiscal year 2007, the student square footage allocation in fiscal year 2007 in accordance with the first step in the state board of education six-year plan, and the amount of state assistance provided for modernization and new in-lieu projects to one hundred percent of the area cost allowance.

(4) The appropriation in this section includes the amounts deposited in the common school construction account under section 601 of this act.

Appropriation:

State Building Construction Account--State .....	\$130,200,000
Common School Construction Account--State .....	<del>(\$474,853,000)</del>
	<u>\$511,116,000</u>
Subtotal Appropriation .....	<del>(\$605,053,000)</del>
	<u>\$641,316,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$2,832,159,000
TOTAL .....	<del>(\$3,437,212,000)</del>
	<u>\$3,473,475,000</u>

Sec. 181. 2005 c 488 s 606 (uncodified) is amended to read as follows:

**FOR THE STATE BOARD OF EDUCATION**  
Environmental Learning Centers (06-2-951)

The appropriation in this section is subject to the following conditions and limitations:

(1) \$1,950,000 from this appropriation is provided solely for capital projects at the Chewelah peak learning center. The Chewelah peak learning center shall submit a budget plan to the state board of education and the appropriate fiscal committees of the legislature for proposed expenditures.

(2) \$400,000 of this appropriation is provided solely for capital projects at Camp Waskowitz learning center. Camp Waskowitz shall submit a budget plan to the state board of education and the appropriate fiscal committees of the legislature for proposed expenditures.

(3) \$500,000 of this appropriation is provided solely for capital projects at IslandWood education center on Bainbridge island. IslandWood shall submit a budget plan to the state board of education and the appropriate fiscal committees of the legislature for proposed expenditures.

Appropriation:

State Building Construction Account--State .....	\$2,350,000
<u>Common School Construction Account--State .....</u>	<u>\$500,000</u>
Subtotal Appropriation .....	<u>\$2,850,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	<del>(\$2,350,000)</del>
	<u>\$2,850,000</u>

Sec. 182. 2005 c 488 s 607 (uncodified) is amended to read as follows:

**FOR THE STATE BOARD OF EDUCATION**  
Apple Award Construction Achievement Grants (06-4-850)

The appropriation in this section is subject to the following conditions and limitations: Grants of \$25,000 are provided to public elementary schools whose students have shown the greatest combined average increase in the percentage of students meeting the fourth grade reading, mathematics, and writing standards on the Washington assessment of student learning from school year 2003-04 as compared to school year 2004-05 and school year 2004-05 as compared to school year 2005-06 (~~and 2006-07~~). \$250,000 shall be available for awards in (~~2005-~~

06)) fiscal year 2006 and \$250,000 in (~~2006-07~~) fiscal year 2007. The program shall be administered by the state board of education which shall determine categories for selection that provides geographic and school district size representation.

The grants shall be used for capital construction purposes as determined by the students in the schools and approved by the district's school directors. The funds may be used exclusively for capital construction projects on school property or on other public property in the community, city, or county in which the school is located.

Appropriation:

Education Construction Account--State .....	\$500,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$500,000

**Sec. 183.** 2005 c 488 s 609 (uncodified) is amended to read as follows:

STATE BOARD OF EDUCATION

~~((FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION))~~ FOR THE STATE BOARD OF EDUCATION

High Performance Buildings (06-4-852)

The appropriation in this section is subject to the following conditions and limitations: Additional funding will be provided to school districts constructing public schools to recognized standards for high performance public buildings for a transition period of three years. The districts building high performance public schools will be granted funding per school project for capital-related costs associated with the design and construction of public K-12 schools that meet or exceed comprehensive design, construction, and operating standards for high performance and sustainable school buildings. No more than \$250,000 will be allotted for each elementary school built to high performance standards, no more than \$350,000 will be allotted for each middle school built to high performance standards, and no more than \$500,000 will be allotted to each high school built to high performance standards. These levels may be modified, in a limited manner, if specific project conditions warrant and as determined by the office of the superintendent of public instruction. The state board of education and the office of the superintendent of public instruction shall not expend more than \$195,000 of the appropriation for administrative costs.

Appropriation:

State Building Construction Account--State .....	\$6,500,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$13,000,000
TOTAL .....	\$19,500,000

**Sec. 184.** 2005 c 488 s 610 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

State School Construction Assistance Program Administration (06-2-001)

The appropriation in this section is subject to the following conditions and limitations: \$76,000 of the common school construction account--state appropriation is provided solely to implement chapter ... (Substitute House Bill No. 3098), Laws of 2006 (state board of education). If the bill is not enacted by June 30, 2006, the appropriation shall lapse.

Appropriation:

Common School Construction Account--State .....	<del>(\$2,279,004)</del>
	<u>\$2,355,004</u>
Prior Biennia (Expenditures) .....	\$3,969,379
Future Biennia (Projected Costs) .....	\$10,554,882
TOTAL .....	<del>(\$16,803,265)</del>
	<u>\$16,879,265</u>

**Sec. 185.** 2005 c 488 s 612 (uncodified) is amended to read as follows:

STATE SCHOOL FOR THE BLIND **FOR THE STATE SCHOOL FOR THE BLIND**

Campus Preservation (06-1-003)

Appropriation:

State Building Construction Account--State .....	<del>(\$700,000)</del>
	<u>\$900,000</u>
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$2,800,000

TOTAL ..... ((\$3,500,000))  
\$3,700,000

**Sec. 186.** 2005 c 488 s 613 (uncodified) is amended to read as follows:

**FOR THE STATE SCHOOL FOR THE DEAF**  
 Omnibus Minor Works - Preservation (06-1-002)

Appropriation:

State Building Construction Account--State ..... ((\$200,000))  
\$400,000

Prior Biennia (Expenditures) ..... \$0  
 Future Biennia (Projected Costs) ..... \$775,000  
 TOTAL ..... ((\$975,000))  
\$1,175,000

**Sec. 187.** 2005 c 488 s 632 (uncodified) is amended to read as follows:

**UNIVERSITY OF WASHINGTON FOR THE UNIVERSITY OF WASHINGTON**  
 Guggenheim Hall Renovation (06-1-006)

The appropriations in this section ((ts)) are subject to the following conditions and limitations: No money from the appropriation in this section may be expended on surge space.

Appropriation:

State Building Construction Account--State ..... ((\$24,500,000))  
\$19,750,000

Education Construction Account--State ..... \$4,750,000  
Subtotal Appropriation ..... \$24,500,000

Prior Biennia (Expenditures) ..... \$1,812,000  
 Future Biennia (Projected Costs) ..... \$0  
 TOTAL ..... \$26,312,000

**Sec. 188.** 2005 c 488 s 659 (uncodified) is amended to read as follows:

**FOR WASHINGTON STATE UNIVERSITY**  
 Minor Works - Facility Preservation (06-1-001)

The appropriation in this section is subject to the following conditions and limitations: \$50,000 of the appropriation from the Washington State University building account--state is provided solely for preliminary design, engineering, permitting, and cost estimate evaluations to modernize and expand the existing dairy facilities in Pullman.

Appropriation:

State Building Construction Account--State ..... \$25,000,000  
 Washington State University Building Account--State ..... ((\$5,500,000))  
\$10,500,000

Subtotal Appropriation ..... ((\$30,500,000))  
\$35,500,000

Prior Biennia (Expenditures) ..... \$0  
 Future Biennia (Projected Costs) ..... \$120,000,000  
 TOTAL ..... ((\$150,500,000))  
\$155,500,000

**NEW SECTION. Sec. 189.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**EASTERN WASHINGTON UNIVERSITY FOR EASTERN WASHINGTON UNIVERSITY**  
 Martin Williamson Renovation (06-1-706)

Appropriation:

Gardner-Evans Higher Education Construction Account--State ..... \$200,000

Prior Biennia (Expenditures) ..... \$0  
 Future Biennia (Projected Costs) ..... \$24,238,000

TOTAL ..... \$24,438,000

**NEW SECTION. Sec. 190.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**EASTERN WASHINGTON UNIVERSITY FOR EASTERN WASHINGTON UNIVERSITY**  
 Patterson Hall Remodel (06-2-002)

Appropriation:

Gardner-Evans Higher Education Construction--State ..... \$200,000  
 Prior Biennia (Expenditures) ..... \$0  
 Future Biennia (Projected Costs) ..... \$26,078,000  
 TOTAL ..... \$26,278,000

**NEW SECTION. Sec. 191.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**CENTRAL WASHINGTON UNIVERSITY FOR CENTRAL WASHINGTON UNIVERSITY**  
 Replace Chiller (06-1-025)

Appropriation:

Gardner-Evans Higher Education Construction--State ..... \$1,880,000  
 Prior Biennia (Expenditures) ..... \$0  
 Future Biennia (Projected Costs) ..... \$0  
 TOTAL ..... \$1,880,000

**Sec. 192.** 2005 c 488 s 696 (uncodified) is amended to read as follows:

**THE EVERGREEN STATE COLLEGE**  
**FOR THE EVERGREEN STATE COLLEGE**  
 Seminar Building Phase II - Construction (02-2-004)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation shall not be used for vehicles, laptop computers, small printers, disposable items, or other items with a useful life of less than one year.

Reappropriation:

The Evergreen State College Capital Projects--State ..... \$700,000

Appropriation:

Education Construction Account--State ..... \$4,250,000  
 Prior Biennia (Expenditures) ..... \$42,550,000  
 Future Biennia (Projected Costs) ..... \$0  
 TOTAL ..... (\$43,250,000)  
\$47,500,000

**Sec. 193.** 2005 c 488 s 714 (uncodified) is amended to read as follows:

**WESTERN WASHINGTON UNIVERSITY**  
**FOR WESTERN WASHINGTON UNIVERSITY**  
 Campus Roadway Development (04-2-073)

The reappropriation in this section is subject to the following conditions and limitations:

- (1) The purpose of the reappropriation is to complete a predesign of potential south campus roadway options and general circulation issues that avoids significant impacts on adjacent neighborhoods and conforms to the city of Bellingham traffic plans.
- (2) The predesign shall also investigate options to achieve higher rates of alternative modes of transportation among faculty, staff, and students, minimize surface parking, and make improvements for traffic circulation, including public transit. Safe movement of pedestrians and bicyclists shall be a priority.
- (3) Allotment for predesign is contingent upon the completion of a communication and public involvement plan for this project that is consistent with the significant projects section of the Western Washington University institutional master plan and adjacent neighborhood plans adopted by the city of Bellingham, the city of Bellingham Western Washington University neighborhood plan, and the neighborhood meeting requirements contained in Bellingham municipal code 20.40.060. The communication and public involvement plan shall seek to maximize public input through coordination of the planning effort with established neighborhood advisory groups and boards recognized by the city of Bellingham.

Reappropriation:

Westem Washington University Capital Projects--State ..... (\$38,826)

\$36,466

Prior Biennia (Expenditures) .....	\$290,174
<u>Future Biennia (Projected Costs) .....</u>	<u>\$0</u>
<b>TOTAL .....</b>	<b>\$326,640</b>

**Sec. 194.** 2005 c 488 s 795 (uncodified) is amended to read as follows:

**FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Skagit Valley College: Science Building Replacement (04-1-209)

Reappropriation:

State Building Construction Account--State .....	\$14,664
--	----------

Appropriation:

State Building Construction Account--State .....	\$2,693,000
<u>Gardner-Evans Higher Education Construction--State .....</u>	<u>\$325,000</u>
<b>Subtotal Appropriation .....</b>	<b>\$3,018,000</b>

Prior Biennia (Expenditures) .....	\$285,336
Future Biennia (Projected Costs) .....	(\$24,268,049)
	\$26,693,049
<b>TOTAL .....</b>	<b>(\$27,261,049)</b>
	\$30,011,049

**Sec. 195.** 2005 c 488 s 777 (uncodified) is amended to read as follows:

**FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Everett Community College: Undergraduate Education Center (04-2-692)

Appropriation:

State Building Construction Account--State .....	\$7,363,700
<u>Gardner-Evans Higher Education Construction--State .....</u>	<u>\$3,844,000</u>
<b>Subtotal Appropriation .....</b>	<b>\$11,207,700</b>

Prior Biennia (Expenditures) .....	\$126,000
Future Biennia (Projected Costs) .....	(\$27,407,540)
	\$38,103,591
<b>TOTAL .....</b>	<b>(\$34,897,240)</b>
	\$49,437,291

NEW SECTION. **Sec. 196.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Seattle Central Community College: Maritime Academy Repairs (06-1-502)

Appropriation:

Gardner-Evans Higher Education Construction--State .....	\$268,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$1,588,000
<b>TOTAL .....</b>	<b>\$1,856,000</b>

NEW SECTION. **Sec. 197.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Green River College: Water System Replacement (06-1-501)

Appropriation:

Gardner-Evans Higher Education Construction--State .....	\$1,951,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
<b>TOTAL .....</b>	<b>\$1,951,000</b>

NEW SECTION. **Sec. 198.** A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Highline Community College: Primary Power Branch Replacement (06-1-503)

Appropriation:

Gardner-Evans Higher Education Construction --State .....	\$1,717,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$1,717,000

NEW SECTION. Sec. 199. A new section is added to 2005 c 488 (uncodified) to read as follows:

**FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Skagit Valley College: Campus Fire Loop Replacement (06-1-504)

Appropriation:

Gardner-Evans Higher Education Construction --State .....	\$1,634,000
Prior Biennia (Expenditures) .....	\$0
Future Biennia (Projected Costs) .....	\$0
TOTAL .....	\$1,634,000

**Sec. 200.** 2005 c 488 s 905 (uncodified) is amended to read as follows:

(1) To ensure that minor works appropriations are carried out in accordance with legislative intent, funds appropriated in this act shall not be allotted until project lists are on file at the office of financial management (~~and the office of financial management has formally approved the lists. Proposed revisions~~), the house of representatives capital budget committee, and the senate ways and means committee. All projects must meet the criteria included in subsection (2)(a) of this section. Revisions to the lists must be filed with ((and approved by)) the office of financial management, the house of representatives capital budget committee, and the senate ways and means committee and include an explanation of variances from the prior list before funds may be expended on the revisions.

(2)(a) Minor works projects are single line appropriations that shall include multiple projects valued between \$25,000 and \$1,000,000 each that are of a similar nature and can (~~generally~~) be completed within two years of the appropriation with the funding provided. These projects cannot be combined with or be a part of an overall project, that if combined over a continuous period of time, would exceed \$1,000,000. Minor works categories include (i) health, safety, and code requirements; (ii) facility preservation; (iii) infrastructure preservation; and (iv) program improvement or expansion. Improvements for accessibility in compliance with the Americans with disabilities act may be included in any of the above minor works categories.

(b) Minor works appropriations shall not be used for, among other things: Studies, except for technical or engineering reviews or designs that lead directly to and support a project on the same minor works list; planning; design outside the scope of work on a minor works list; moveable, temporary, and traditionally funded operating equipment not in compliance with the equipment criteria established by the office of financial management; software not dedicated to control of a specialized system; moving expenses; land or facility acquisition; or to supplement funding for projects with funding shortfalls unless expressly authorized elsewhere in this act. The office of financial management may make an exception to the limitations described in this subsection (2)(b) for exigent circumstances after notifying the legislative fiscal committees and waiting ten days for comments by the legislature regarding the proposed exception.

(3) The (~~office of financial management~~) agency shall ((forward)) provide copies of these project lists and revised lists to the office of financial management, the house of representatives capital budget committee, and the senate ways and means committee. No expenditure may be incurred or obligation entered into for minor works appropriations until the office of financial management has approved the allotment of the funds to be expended. The office of financial management shall encourage state agencies to incorporate accessibility planning and improvements into the normal and customary capital program.

(4) It is generally not intended to make future appropriations for capital expenditures or for maintenance and operating expenses for an acquisition project or a significant expansion project that is initiated through the minor works process and therefore does not receive a policy and fiscal analysis by the legislature. Minor works projects are intended to be one-time expenditures that do not require future state resources to complete.

NEW SECTION. Sec. 201. A new section is added to 2005 c 488 (uncodified) to read as follows:

Executive Order No. 05-05, archaeological and cultural resources, was issued effective November 10, 2005. Agencies and higher education institutions shall comply with the requirements set forth in this executive order.

**Sec. 202.** 2005 c 488 s 909 (uncodified) is amended to read as follows:

**ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS.** The following agencies may enter into financial contracts, paid from any funds of an agency, appropriated or nonappropriated, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. When securing properties under this section, agencies shall use the most economical financial contract option available, including long-term leases, lease-purchase agreements, lease-development with option to purchase agreements or financial contracts using certificates of participation. Expenditures made by an agency for one of the indicated purposes before the issue date of the authorized financial contract and any certificates of participation therein are

intended to be reimbursed from proceeds of the financial contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

State agencies may enter into agreements with the department of general administration and the state treasurer's office to develop requests to the legislature for acquisition of properties and facilities through financial contracts. The agreements may include charges for services rendered.

Those noninstructional facilities of higher education institutions authorized in this section to enter into financial contracts are not eligible for state funded maintenance and operations. Instructional space that is available for regularly scheduled classes for academic transfer, basic skills, and workforce training programs may be eligible for state funded maintenance and operations.

(1) Department of general administration:

(a) Enter into a financing contract for up to \$12,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct the fifth and final phase of the roof membrane replacement at the east plaza parking structure as well as safety improvements to the parking garage below the plaza.

(b) Enter into a financing contract for up to \$6,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the fourth phase of the office building-2 rehabilitation that will renew failing building systems, correct code deficiencies, and improve access.

(c) Enter into a financing contract for up to \$13,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the rehabilitation of the Cherberg building.

(2) Liquor control board: Enter into a financing contract for up to \$17,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct an extension to the liquor control board's distribution center to meet liquor sales growth through 2018.

(3) Department of corrections:

(a) Enter into a financing contract for up to \$400,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a waste transfer station and purchase a garbage truck at the McNeil Island corrections center.

(b) Enter into a financing contract for up to \$4,588,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a transportation services warehouse and offices for correctional industries.

(c) Enter into a financing contract for up to \$4,536,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct additions to the food factory and warehouses at the Airway Heights corrections center for correctional industries.

(4) Parks and recreation commission: Enter into a financing contract in an amount not to exceed \$4,800,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to develop Cama Beach state park.

(5) Community and technical colleges:

~~(a) Enter into a financing contract on behalf of Bellevue Community College for up to \$20,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase the North Center building.~~

~~(b))~~ Enter into a financing contract on behalf of Clark College for up to \$9,100,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a ~~((parking structure))~~ building for a training center.

~~((c))~~ (b) Enter into a financing contract on behalf of Clover Park Technical College for up to \$14,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a student center.

~~((d))~~ (c) Enter into a financing contract on behalf of Columbia Basin College for up to \$1,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate the Hawk Union building.

(d) Enter into a financing contract on behalf of Edmonds Community College for up to \$8,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a bookstore and student center.

(e) Enter into a financing contract on behalf of Edmonds Community College for up to \$4,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a black box theater as a part of the Instructional Lab building.

(f) Enter into a financing contract on behalf of Green River Community College for up to \$7,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase Kent Station higher education center.

(g) Enter into a financing contract on behalf of Olympic College for up to \$3,600,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct an addition to the student center bookstore.

(h) Enter into a financing contract on behalf of Shoreline Community College for up to \$15,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a student union building.

(i) Enter into a financing contract on behalf of Skagit Valley Community College for up to \$3,200,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate existing space into a new student center.

(j) Enter into a financing contract on behalf of Walla Walla Community College for up to \$2,175,100 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase land, make site improvements, and construct a building for ~~((the enology program))~~ professional-technical instruction.

(k) Enter into a financing contract on behalf of Walla Walla Community College for up to \$640,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct an addition to the health sciences building at the Clarkston center.

(l) Enter into a financing contract on behalf of Seattle Central Community College for up to \$3,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a math and science building.

(m) Enter into a financing contract on behalf of Pierce College/Puyallup for up to \$8,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a student gym and fitness center.

(n) Enter into a financing contract on behalf of Pierce College/Ft. Steilacoom for up to \$5,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct an addition to the college health and wellness center.

(o) Enter into a financing contract on behalf of Columbia Basin College for up to \$3,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct the Richland health sciences center.

(p) The projects in ~~((a))~~ (f), ~~((b))~~ (j), (l), (m), and (n) of this subsection are reauthorizations of projects originally authorized in the 2003-2005 biennium. If the college enters into a financing contract before the effective date of this section, then the appropriate reauthorization contained in this section is null and void.

(6) Washington State University: Enter into a financing contract for up to \$11,650,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a bioproducts facility in the Tri-Cities.

**Sec. 203.** RCW 43.--- (section 8, chapter ---, Laws of 2006, (E3SHB No. 2939)) is amended to read as follows:

The energy freedom account is created in the state treasury. All receipts from appropriations made to the account, proceeds from other lawful sources, and loan payments of principal and interest derived from loans made under this chapter must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for loans and grants to political subdivisions for renewable energy and biofuel development projects and activities authorized under this chapter or otherwise authorized by the legislature.

**NEW SECTION. Sec. 204.** A new section is added to 2005 c 488 (uncodified) to read as follows:

OFFICE OF FINANCIAL MANAGEMENT OFFICE OF FINANCIAL MANAGEMENT. The legislature finds that the January 23, 2006, report on 63-20 capital projects financing submitted by the state treasurer raised significant issues that could benefit from additional exploration and analysis. The legislature further finds that financing costs are only one important dimension to consider when analyzing and comparing the use of conventional bonds with other capital project financing mechanisms in the development of major public facilities. Other factors that must be considered include total project and life-cycle costs, long-term costs of capital, scheduling, generally accepted accounting principles, transfer of risk, project management, project complexity, public works contracting procedures, and applicability of private sector strategies or practices in the development and ongoing maintenance of public facilities.

The office of financial management and the department of general administration, in consultation with legislative staff from the appropriate policy and fiscal committees of the legislature shall:

(1) Research models and best practices used by other governments and private industry to provide major facility and infrastructure information for budgeting purposes, including the updated joint legislative audit and review committee life-cycle cost model in section 102 of this act. The analysis must include total cost of capital and long-term forecasting information for facility preservation, major facility or system replacement, and new capacity to result in more effective investment decisions for major public facilities and infrastructure.

(2) Develop recommendations that incorporate best practices in the state's capital budgeting process and public works contracting procedures, including lessons learned from 63-20 financing projects entered into by state agencies or local governments.

(3) Develop recommendations for appropriate uses of alternative capital project financing instruments and a corresponding decision making process.

(4) Develop a strategy to manage risk and reduce the potential for claims and litigation associated with state construction projects. This strategy must include the enumeration of best practices for the management of project risk and conflicts, in order to minimize future expenses related to construction claims.

(5) Coordinate with the capital projects advisory review board created in chapter 377, Laws of 2005 to evaluate public capital project construction processes and policies related to alternative public works delivery methods.

(6) Submit report findings and recommendations to the appropriate fiscal committees of the legislature by September 1, 2007.

**Sec. 205.** RCW 79.17.010 and 2003 1st sp.s. c 25 s 939 and 2003 c 334 s 452 are each reenacted and amended to read as follows:

(1) The department, with the approval of the board, may exchange any state land and any timber thereon for any land of equal value in order to:

(a) Facilitate the marketing of forest products of state lands;

(b) Consolidate and block-up state lands;

(c) Acquire lands having commercial recreational leasing potential;

(d) Acquire county-owned lands;

(e) Acquire urban property which has greater income potential or which could be more efficiently managed by the department in exchange for state urban lands as defined in RCW 79.19.100; or

(f) Acquire any other lands when such exchange is determined by the board to be in the best interest of the trust for which the state land is held.

(2) Land exchanged under this section shall not be used to reduce the publicly owned forest land base.

(3) The board shall determine that each land exchange is in the best interest of the trust for which the land is held prior to authorizing the land exchange.

(4) During the biennium ending June 30, ~~((2005))~~ 2007, the department, with approval of the board, may exchange any state land and any timber thereon for any land and proceeds of equal value. Proceeds may be in the form of cash or services in order to achieve the purposes established in this section. Any cash received as part of an exchange transaction shall be deposited in the resource management cost account to pay for administrative expenses incurred in carrying out an exchange transaction. The amount of proceeds received from the exchange partner may not exceed five percent of the total value of the exchange. The receipt of proceeds shall not change the character of the transaction from an exchange to a sale.

**NEW SECTION. Sec. 206.** A new section is added to 2005 c 488 (uncodified) to read as follows:

Eastern Washington University is authorized to sell its Spokane center. Proceeds from the sale must be deposited into the higher education construction account. Proceeds may be used to acquire or design a facility on or adjacent to the Riverpoint higher education campus for the

university's Spokane-based program offerings. Eastern Washington University must report to the office of financial management and the appropriate fiscal committees of the legislature upon sale of the center as well as expenditure of the proceeds.

**Sec. 207.** RCW 43.99N.060 and 2000 c 137 s 1 are each amended to read as follows:

(1) The stadium and exhibition center account is created in the custody of the state treasurer. All receipts from the taxes imposed under RCW 82.14.0494 and distributions under RCW 67.70.240(5) shall be deposited into the account. Only the director of the office of financial management or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW. An appropriation is not required for expenditures from this account.

(2) Until bonds are issued under RCW 43.99N.020, up to five million dollars per year beginning January 1, 1999, shall be used for the purposes of subsection (3)(b) of this section, all remaining moneys in the account shall be transferred to the public stadium authority, created under RCW 36.102.020, to be used for public stadium authority operations and development of the stadium and exhibition center.

(3) After bonds are issued under RCW 43.99N.020, all moneys in the stadium and exhibition center account shall be used exclusively for the following purposes in the following priority:

(a) On or before June 30th of each year, the office of financial management shall accumulate in the stadium and exhibition center account an amount at least equal to the amount required in the next succeeding twelve months for the payment of principal of and interest on the bonds issued under RCW 43.99N.020;

(b) An additional reserve amount not in excess of the expected average annual principal and interest requirements of bonds issued under RCW 43.99N.020 shall be accumulated and maintained in the account, subject to withdrawal by the state treasurer at any time if necessary to meet the requirements of (a) of this subsection, and, following any withdrawal, reaccumulated from the first tax revenues and other amounts deposited in the account after meeting the requirements of (a) of this subsection; and

(c) The balance, if any, shall be transferred to the youth athletic facility account under subsection (4) of this section.

Any revenues derived from the taxes authorized by RCW 36.38.010(5) and 36.38.040 or other amounts that if used as provided under (a) and (b) of this subsection would cause the loss of any tax exemption under federal law for interest on bonds issued under RCW 43.99N.020 shall be deposited in and used exclusively for the purposes of the youth athletic facility account and shall not be used, directly or indirectly, as a source of payment of principal of or interest on bonds issued under RCW 43.99N.020, or to replace or reimburse other funds used for that purpose.

(4) Any moneys in the stadium and exhibition center account not required or permitted to be used for the purposes described in subsection (3)(a) and (b) of this section shall be deposited in the youth athletic facility account hereby created in the state treasury. Expenditures from the account may be used only for purposes of grants or loans to cities, counties, and qualified nonprofit organizations for community outdoor athletic facilities. For the 2005-2007 biennium, moneys in the account may also be used for the recreation level of service study for local and regional active recreation facilities identified in section 165 of this act. Only the director of the interagency committee for outdoor recreation or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. The athletic facility grants or loans may be used for acquiring, developing, equipping, maintaining, and improving community outdoor athletic facilities. Funds shall be divided equally between the development of new community outdoor athletic facilities, the improvement of existing community outdoor athletic facilities, and the maintenance of existing community outdoor athletic facilities. Cities, counties, and qualified nonprofit organizations must submit proposals for grants or loans from the account. To the extent that funds are available, cities, counties, and qualified nonprofit organizations must meet eligibility criteria as established by the director of the interagency committee for outdoor recreation. The grants and loans shall be awarded on a competitive application process and the amount of the grant or loan shall be in proportion to the population of the city or county for where the community outdoor athletic facility is located. Grants or loans awarded in any one year need not be distributed in that year. The director of the interagency committee for outdoor recreation may expend up to one and one-half percent of the moneys deposited in the account created in this subsection for administrative purposes.

**Sec. 208.** 2005 c 488 s 927 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--TRANSFERS**

Local Toxics Control Account: For transfer to the state toxics control account . . . . .	\$13,900,000
State Drought Preparedness Account: For transfer to the charitable, education, penal and reformatory institutions account . . . . .	\$970,000

NEW SECTION. **Sec. 209.** Part headings in this act are not any part of the law.

NEW SECTION. **Sec. 210.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 211.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

On page 1, line 2 of the title, after "improvements;" strike the remainder of the title and insert "amending RCW 43.99N.060; amending RCW 43.---.--- (section 8, chapter ---, Laws of 2006, (E3SHB No. 2939)); amending 2006 c --- s 2 (E2SHB No. 2393) (uncodified); amending 2005 c 488 ss 109, 112, 125, 131, 138, 142, 143, 152, 156, 201, 206, 238, 252, 255, 264, 287, 323, 324, 325, 327, 329, 340, 341, 342, 346, 360, 365, 368, 369, 370, 372, 376, 382, 385, 386, 387, 390, 391, 392, 398, 401, 402, 395, 414, 425, 427, 443, 451, 453, 460, 601, 605, 606, 607, 609, 610, 612, 613, 632, 659, 696, 714, 795, 777, 905, 909, and 927 (uncodified); reenacting and amending RCW 79.17.010; adding new sections to 2005 c 488 (uncodified); creating new sections; and declaring an emergency."

Signed by Representatives Dunshee, Chairman; Ormsby, Vice Chairman; Blake; Chase; Eickmeyer; Ericks; Flannigan; Green; Hasegawa; Lantz; Moeller; Morrell; O'Brien; Schual-Berke; Springer and Upthegrove.

MINORITY recommendation: Do not pass. Signed by Representatives Jarrett, Ranking Minority Member; Hankins, Assistant Ranking Minority Member; Clements; Cox; Ericksen; Kretz; McCune; Newhouse; Roach; Serben and Strow.

Passed to Committee on Rules for second reading.

February 22, 2006

ESSB 6386 Prime Sponsor, Senate Committee On Ways & Means: Making 2006 supplemental operating appropriations. Reported by Committee on Appropriations

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"PART I  
GENERAL GOVERNMENT**

**Sec. 101.** 2005 c 518 s 101 (uncodified) is amended to read as follows:

HOUSE OF REPRESENTATIVES

**FOR THE HOUSE OF REPRESENTATIVES**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$30,411,000</del> ))
	<u>\$30,261,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$30,900,000</del> ))
	<u>\$30,934,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	<u>\$167,000</u>
TOTAL APPROPRIATION .....	(( <del>\$61,311,000</del> ))
	<u>\$61,362,000</u>

The appropriations in this section are subject to the following conditions and limitations: ((~~2~~)) \$25,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the children's and family services task force established in Engrossed Substitute Senate Bill No. 5872 (family/children's department). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

**Sec. 102.** 2005 c 518 s 102 (uncodified) is amended to read as follows:

SENATE

**FOR THE SENATE**

General Fund--State Appropriation (FY 2006) .....	\$23,253,000
General Fund--State Appropriation (FY 2007) .....	(( <del>\$25,368,000</del> ))
	<u>\$25,395,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	<u>\$125,000</u>
TOTAL APPROPRIATION .....	(( <del>\$48,621,000</del> ))
	<u>\$48,773,000</u>

The appropriations in this section are subject to the following conditions and limitations:

\$25,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the children's and family services task force established in Engrossed Substitute Senate Bill No. 5872 (family/children's department). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

**Sec. 103.** 2005 c 518 s 103 (uncodified) is amended to read as follows:

JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

**FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$2,531,000</del> ))
	<u>\$2,294,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$1,953,000</del> ))
	<u>\$2,869,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	<u>\$9,000</u>
TOTAL APPROPRIATION .....	(( <del>\$4,484,000</del> ))
	<u>\$5,172,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Notwithstanding the provisions in this section, the committee may adjust the due dates for projects included on the committee's 2005-07 work plan as necessary to efficiently manage workload.

(2)(a) \$100,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for a study of the basic health plan. Part 1 of the study shall examine the extent to which basic health plan policies and procedures promote or discourage the provision of appropriate, high-quality, cost-effective care to basic health plan enrollees. Issues to be addressed include, but are not limited to, whether (i) enrollees are encouraged to engage in wellness activities and receive preventative services; (ii) evidence-based treatment strategies are identified and promoted; (iii) enrollees are encouraged to use high-quality providers; (iv) enrollees with chronic or other high-cost conditions are identified and provided with appropriate interventions; and (v) innovative health care service delivery methods are encouraged. Part 1 of the study report shall be completed by December 2005.

(b) Part 2 of the study shall examine the characteristics of individuals enrolled in the basic health plan, and their use of health care services, including, but not limited to, (i) enrollee longevity on the basic health plan; (ii) circumstances that led to basic health plan enrollment; (iii) how enrollees obtained health care prior to basic health plan enrollment; (iv) health care coverage of other household members; (v) service utilization patterns; and (vi) employment status and by whom basic health plan enrollees are employed. Part 2 of the study must be completed by July, 2006.

(3) ~~(\$188,000)~~ \$37,000 of the general fund--state appropriation for fiscal year 2006 ~~(is)~~ and \$151,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the public infrastructure study and the cost of evaluating the effectiveness of the job development fund grant program required by House Bill No. 1903 (creating a job development fund). If House Bill No. 1903 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(4) \$100,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for an evaluation of the budget process used for information technology projects. The evaluation will include: Itemizing total costs for current information technology funding across state agencies; analyzing current processes by which information funding is requested and evaluated; analyzing processes used in the private sector and other states; and assessing the applicability of other practices for improving the state's funding process. A report is due in January 2006.

(5) \$125,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for a study of the current state pupil transportation funding formula. The study will evaluate the extent to which the formula captures the costs of providing pupil transportation for basic education programs. Based on the results of this evaluation, the study shall develop alternative formulas for allocating state funding to school districts for the transportation of students for basic education programs. The alternative formulas shall take into account the legislative definition of basic education programs, promote the efficient use of state and local resources, and allow local district control over the management of pupil transportation systems. In addition, the study shall include a review of the funding mechanisms used by other states and identify best practices.

(6) Within amounts provided in this section, the committee shall conduct a review of the special education excess cost accounting methodology and expenditure reporting requirements. The committee shall work with the state auditor's office and develop a mutually acceptable work plan in conducting this review. This review may include, but is not limited to: (a) An analysis of the current special education excess cost accounting methodology and related special education expenditure reporting requirements; (b) an examination of whether opportunities exist for modifying the current excess cost accounting methodology and expenditure reporting requirements; (c) an assessment of the potential impact on school districts if the current excess cost accounting methodology and expenditure reporting requirements are modified; and (d) any findings and recommendations from the state auditor's office examination of whether school districts are appropriately and consistently applying the current excess cost methodology. The committee shall provide a report to the appropriate policy and fiscal committees of the legislature in January 2006.

(7) \$100,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the consultant costs related to the study identified in section 505 of Engrossed Second Substitute Senate Bill No. 5763 (mental disorders treatment). If this section is not enacted by June 30, 2005, these amounts shall lapse.

(8) \$86,000 of the general fund--state appropriation for fiscal year ~~(2006)~~ 2007 is provided solely to implement the provisions of Engrossed Substitute House Bill No. 1064 (government performance). If Engrossed Substitute House Bill No. 1064 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(9) \$190,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for purposes of legislative hearings and reporting requirements under Initiative Measure No. 900 (chapter 1, Laws of 2006; performance audits).

(10) \$375,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the review of tax preferences and to staff the citizen commission for performance measurement of tax preferences required in Engrossed House Bill No. 1069 (audits of tax preferences). If Engrossed House Bill No. 1069 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(11) \$42,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the evaluation of the effectiveness of the local infrastructure financing tool program required in Engrossed Second Substitute House Bill No. 2673 (local infrastructure). If Engrossed Second Substitute House Bill No. 2673 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) \$56,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the cost of conducting a performance audit of the department of natural resources' aquatic resources program required by House Bill No. 3237 (aquatic lands). If House Bill No. 3237 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(13) \$14,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the cost of conducting a review of the staffing levels for department of health investigators and attorneys involved in the health professions disciplinary process required by Substitute House Bill No. 2974 (health profession discipline). If Substitute House Bill No. 2974 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

**Sec. 104.** 2005 c 518 s 104 (uncodified) is amended to read as follows:

LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

**FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

General Fund--State Appropriation (FY 2006) .....	\$1,737,000
General Fund--State Appropriation (FY 2007) .....	<del>(\$1,921,000)</del>
	<u>\$1,924,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	\$10,000
TOTAL APPROPRIATION .....	<del>(\$3,658,000)</del>
	<u>\$3,671,000</u>

**Sec. 105.** 2005 c 518 s 106 (uncodified) is amended to read as follows:

JOINT LEGISLATIVE SYSTEMS COMMITTEE

**FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

General Fund--State Appropriation (FY 2006) .....	\$7,288,000
General Fund--State Appropriation (FY 2007) .....	<del>(\$7,248,000)</del>
	<u>\$7,252,000</u>

<u>Pension Funding Stabilization Account Appropriation</u> .....	\$25,000
TOTAL APPROPRIATION .....	(\$14,536,000)
	<u>\$14,565,000</u>

**Sec. 106.** 2005 c 518 s 107 (uncodified) is amended to read as follows:

STATUTE LAW COMMITTEE

**FOR THE STATUTE LAW COMMITTEE**

General Fund--State Appropriation (FY 2006) .....	\$4,112,000
General Fund--State Appropriation (FY 2007) .....	(\$4,398,000)
	<u>\$4,401,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	\$20,000
TOTAL APPROPRIATION .....	(\$8,510,000)
	<u>\$8,533,000</u>

**Sec. 107.** 2005 c 518 s 105 (uncodified) is amended to read as follows:

OFFICE OF THE STATE ACTUARY

**FOR THE OFFICE OF THE STATE ACTUARY**

Department of Retirement Systems Expense Account--State Appropriation .....	(\$3,013,000)
	<u>\$3,022,000</u>

The appropriation in this section is subject to the following conditions and limitations: By December 1, 2005, the state actuary shall conduct an actuarial analysis that quantifies, to the greatest extent permissible from available experience data, the fiscal impact of the retire-rehire program for plan 1 of the public employees' retirement system and the teachers' retirement system enacted by chapter 10, Laws of 2001 and chapter 412, Laws of 2003. In addition to the actuarial analysis, the state actuary shall present a range of legislative alternatives to the plan 1 retire-rehire program, including an actuarial analysis of the fiscal impact of proposals to increase the maximum retirement allowance beyond sixty percent of average final compensation. The analysis shall be submitted to the select committee on pension policy, the senate committee on ways and means, and the house of representatives committee on appropriations.

**Sec. 108.** 2005 c 518 s 109 (uncodified) is amended to read as follows:

SUPREME COURT

**FOR THE SUPREME COURT**

General Fund--State Appropriation (FY 2006) .....	(\$6,085,000)
	<u>\$6,095,000</u>
General Fund--State Appropriation (FY 2007) .....	(\$6,346,000)
	<u>\$6,397,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	\$37,000
TOTAL APPROPRIATION .....	(\$12,431,000)
	<u>\$12,529,000</u>

**Sec. 109.** 2005 c 518 s 112 (uncodified) is amended to read as follows:

COMMISSION ON JUDICIAL CONDUCT

**FOR THE COMMISSION ON JUDICIAL CONDUCT**

General Fund--State Appropriation (FY 2006) .....	\$1,055,000
General Fund--State Appropriation (FY 2007) .....	(\$1,107,000)
	<u>\$1,109,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	\$5,000
TOTAL APPROPRIATION .....	(\$2,162,000)
	<u>\$2,169,000</u>

**Sec. 110.** 2005 c 518 s 110 (uncodified) is amended to read as follows:

LAW LIBRARY

**FOR THE LAW LIBRARY**

General Fund--State Appropriation (FY 2006) .....	(\$2,011,000)
	<u>\$2,013,000</u>
General Fund--State Appropriation (FY 2007) .....	(\$2,020,000)
	<u>\$2,024,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	\$5,000
TOTAL APPROPRIATION .....	(\$4,031,000)
	<u>\$4,042,000</u>

**Sec. 111.** 2005 c 518 s 111 (uncodified) is amended to read as follows:

COURT OF APPEALS

**FOR THE COURT OF APPEALS**

General Fund--State Appropriation (FY 2006) .....	(((\$13,866,000))
	<u>\$13,916,000</u>
General Fund--State Appropriation (FY 2007) .....	(((\$14,358,000))
	<u>\$14,393,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	<u>\$80,000</u>
TOTAL APPROPRIATION .....	(((\$28,224,000))
	<u>\$28,389,000</u>

**Sec. 112.** 2005 c 518 s 113 (uncodified) is amended to read as follows:

ADMINISTRATOR FOR THE COURTS

**FOR THE ADMINISTRATOR FOR THE COURTS**

General Fund--State Appropriation (FY 2006) .....	(((\$19,657,000))
	<u>\$19,834,000</u>
General Fund--State Appropriation (FY 2007) .....	(((\$20,081,000))
	<u>\$21,328,000</u>
Public Safety and Education Account--State Appropriation .....	(((\$50,106,000))
	<u>\$50,277,000</u>
Judicial Information Systems Account--State Appropriation .....	(((\$25,641,000))
	<u>\$26,051,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	<u>\$96,000</u>
TOTAL APPROPRIATION .....	(((\$115,485,000))
	<u>\$117,586,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$900,000 of the general fund--state appropriation for fiscal year 2006 and \$900,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for court-appointed special advocates in dependency matters. The administrator for the courts, after consulting with the association of juvenile court administrators and the association of court-appointed special advocate/guardian ad litem programs, shall distribute the funds to volunteer court-appointed special advocate/guardian ad litem programs. The distribution of funding shall be based on the number of children who need volunteer court-appointed special advocate representation and shall be equally accessible to all volunteer court-appointed special advocate/guardian ad litem programs. The administrator for the courts shall not retain more than six percent of total funding to cover administrative or any other agency costs.

(2) \$3,000,000 of the public safety and education account appropriation is provided solely for school district petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The office of the administrator for the courts shall develop an interagency agreement with the office of the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed.

(3) \$13,224,000 of the public safety and education account appropriation is provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The office of the administrator for the courts shall not retain any portion of these funds to cover administrative costs. The office of the administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(4) The distributions made under subsection (3) of this section and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate reimbursement for costs for any new programs or increased level of service for purposes of RCW 43.135.060.

(5) Each fiscal year during the 2005-07 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing truancy, children in need of services, and at-risk youth petitions. Counties shall submit the reports to the administrator for the courts no later than 45 days after the end of the fiscal year. The administrator for the courts shall electronically transmit this information to the chairs and ranking minority members of the house of representatives appropriations committee and the senate ways and means committee no later than 60 days after a fiscal year ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

(6) \$82,000 of the general fund--state appropriation for fiscal year 2006 and \$82,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of House Bill No. 1112 (creating an additional superior court position). If the bill is not enacted by June 30, 2005, the amounts in this subsection shall lapse.

(7) \$75,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the implementation of Substitute House Bill No. 1854 (driving privilege) and Engrossed Second Substitute Senate Bill No. 5454 (court operations). If neither bill is enacted by June 30, 2005, the amount in this subsection shall lapse.

**Sec. 113.** 2005 c 518 s 114 (uncodified) is amended to read as follows:

OFFICE OF PUBLIC DEFENSE

**FOR THE OFFICE OF PUBLIC DEFENSE**

General Fund--State Appropriation (FY 2006) .....	(((\$1,490,000))
	<u>\$1,565,000</u>

General Fund--State Appropriation (FY 2007)	(( <del>\$2,078,000</del> ))
	<u>\$11,887,000</u>
Public Safety and Education Account--State Appropriation	(( <del>\$13,175,000</del> ))
	<u>\$13,181,000</u>
TOTAL APPROPRIATION	(( <del>\$16,743,000</del> ))
	<u>\$26,633,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$800,000 of the general fund--state appropriation for fiscal year 2006 and ~~((~~\$1,000,000~~))~~ \$5,659,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to expand the parent representation project in dependency and termination cases.

(2) Amounts provided from the public safety and education account appropriation in this section include funding for investigative services in death penalty personal restraint petitions.

(3) Within amounts appropriated in this section and in Engrossed Second Substitute Senate Bill No. 5454, the office may, at its discretion, implement Second Substitute House Bill No. 1542 (indigent defense services).

**Sec. 114.** 2005 c 518 s 115 (uncodified) is amended to read as follows:

OFFICE OF CIVIL LEGAL AID

**FOR THE OFFICE OF CIVIL LEGAL AID**

General Fund--State Appropriation (FY 2006)	(( <del>\$2,883,000</del> ))
	<u>\$3,083,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$2,832,000</del> ))
	<u>\$3,232,000</u>
Public Safety and Education Account--State Appropriation	\$4,705,000
Violence Reduction and Drug Enforcement Account--State Appropriation	\$2,987,000
TOTAL APPROPRIATION	(( <del>\$13,407,000</del> ))
	<u>\$14,007,000</u>

~~((The appropriations in this section are subject to the following conditions and limitations:~~

~~—(1) \$2,783,000 of the general fund--state appropriation for fiscal year 2006, \$2,732,000 of the general fund--state appropriation for fiscal year 2007, \$4,705,000 of the public safety and education account--state appropriation, and \$2,987,000 of the violence reduction and drug enforcement account--state appropriation are contingent upon enactment of Substitute House Bill No. 1747 (civil legal services). If the bill is not enacted by June 30, 2005, these appropriations shall be made to the department of community, trade, and economic development and are provided solely for the purpose of civil legal services.~~

~~—(2) \$100,000 of the general fund--state appropriation for fiscal year 2006 and \$100,000 of the general fund--state appropriation for fiscal year 2007 are contingent upon enactment of Substitute House Bill No. 1747 (civil legal services). If the bill is not enacted by June 30, 2005, the appropriation shall be made to the department of community, trade, and economic development and is provided solely for a general farm organization with members in every county of the state to develop and administer an alternative dispute resolution system for disputes between farmers and farm workers:))~~

**Sec. 115.** 2005 c 518 s 116 (uncodified) is amended to read as follows:

OFFICE OF THE GOVERNOR

**FOR THE OFFICE OF THE GOVERNOR**

General Fund--State Appropriation (FY 2006)	\$5,600,000
General Fund--State Appropriation (FY 2007)	(( <del>\$5,279,000</del> ))
	<u>\$5,886,000</u>
General Fund--Federal Appropriation	(( <del>\$1,364,000</del> ))
	<u>\$1,366,000</u>
Oil Spill Prevention Account Appropriation	\$508,000
Water Quality Account--State Appropriation	(( <del>\$4,184,000</del> ))
	<u>\$4,193,000</u>
<u>Economic Development Strategic Reserve Account Appropriation</u>	<u>\$4,000,000</u>
<u>Pension Funding Stabilization Account Appropriation</u>	<u>\$24,000</u>
TOTAL APPROPRIATION	(( <del>\$16,935,000</del> ))
	<u>\$21,577,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$4,112,000 of the water quality account appropriation and \$1,150,000 of the general fund--federal appropriation are provided solely for the Puget Sound water quality action team to implement the Puget Sound conservation and recovery plan action items PSAT-01 through PSAT-06.

(2) \$200,000 of the general fund--state appropriation for fiscal year 2006, \$200,000 of the general fund--state appropriation for fiscal year 2007, and \$200,000 of the general fund--federal appropriation are provided solely for one-time corrective actions to address Hood canal's dissolved oxygen problems, the Puget Sound conservation and recovery plan action item PSAT-07.

(3) As described in section 129(7) of this act, the Puget Sound water quality action team shall make recommendations and report on monitoring activities related to salmon recovery.

(4) \$250,000 of the general fund--state appropriation for fiscal year 2006 and \$100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of House Bill No. 1152 (early learning council). If House Bill No. 1152 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(5) For the governor's funding request pursuant to RCW 74.39A.300 to be submitted to the legislature by December 20, 2006, it is the intent of the legislature to consider a fringe benefits funding request that provides health care benefits substantially equivalent in cost to those available to individual providers pursuant to chapter 25, Laws of 2003 1st sp. sess.

(6) \$100,000 of the general fund--state appropriation for fiscal year 2006 and \$100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely as a grant to the Hood Canal Coordinating Council to implement Engrossed Substitute House Bill No. 2097 (management program for Hood Canal). ~~((If Engrossed Substitute House Bill No. 2097 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.))~~

(7) \$100,000 of the general fund--state appropriation for fiscal year 2006 and \$100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a review of ocean policy issues in cooperation with individuals with appropriate expertise and the departments of ecology, fish and wildlife, and natural resources. By December 31, 2005, the governor's office shall identify the recommendations of the U.S. commission on ocean policy appropriate for immediate implementation. By December 31, 2006, the governor's office shall provide a report: (a) Summarizing the condition of the state's ocean resources and their contribution to the state's character, quality of life, and economic viability; (b) recommending improvements in coordination among state agencies and other jurisdictions; (c) recommending measures to protect and manage ocean resources; (d) recommending measures to finance ocean protection, management, and development programs; and (e) recommending legislation regarding ocean resources or policy.

(8) \$508,000 of the oil spill prevention account appropriation is provided solely for the oil spill advisory council established in Engrossed Substitute Senate Bill No. 5432 (oil spill oversight council). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(9) The economic development strategic reserve account appropriation is provided solely for the purpose of implementing chapter 427, Laws of 2005 (2SSB 5370).

(10)(a) \$600,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the Puget Sound action team and the Hood Canal coordinating council to contract for a one-time study in the Hood Canal to: (i) Improve data and knowledge of the loading of nitrogen from on-site sewage systems to ground water; (ii) determine the local scale efficiency of nitrogen removal from on-site sewage systems; and (iii) improve data and knowledge of the loading of nitrogen from all ground water sources to Hood Canal.

(b) The study shall: (i) Locate representative on-site sewage systems distributed within the Hood Canal drainage basin for use in the study; (ii) collect water levels and samples from the areas around a number of on-site sewage systems under a variety of water table, soil, and geologic conditions; (iii) test samples for nitrogen, phosphorous, carbon, and other pertinent chemistry; (iv) consider water levels and samples from monitoring wells both up gradient and down gradient from on-site sewage systems; (v) collect data from drain fields to test on-site sewage system efficiency; and (vi) collect water level, nutrient, and other chemical data from a number of existing wells in the watershed to test how much nitrogen is reaching Hood Canal. The study shall be coordinated with other studies being conducted in Hood Canal through the Hood Canal dissolved oxygen program. The Puget Sound action team and the Hood Canal coordinating council shall report their finding and recommendations to the appropriate committees of the legislature by December 1, 2007.

**Sec. 116.** 2005 c 518 s 117 (uncodified) is amended to read as follows:

LIEUTENANT GOVERNOR

**FOR THE LIEUTENANT GOVERNOR**

General Fund--State Appropriation (FY 2006) .....	\$752,000
General Fund--State Appropriation (FY 2007) .....	<del>(\$766,000)</del>
	<u>\$768,000</u>
<del>((General Fund--Local Appropriation) .....</del>	<del>-\$1,000)</del>
<u>Pension Funding Stabilization Account Appropriation</u> .....	<u>\$3,000</u>
TOTAL APPROPRIATION .....	<del>(\$1,519,000)</del>
	<u>\$1,523,000</u>

**Sec. 117.** 2005 c 518 s 118 (uncodified) is amended to read as follows:

PUBLIC DISCLOSURE COMMISSION

**FOR THE PUBLIC DISCLOSURE COMMISSION**

General Fund--State Appropriation (FY 2006) .....	<del>(\$1,989,000)</del>
	<u>\$1,999,000</u>
General Fund--State Appropriation (FY 2007) .....	<del>(\$2,009,000)</del>
	<u>\$2,069,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	<u>\$10,000</u>
TOTAL APPROPRIATION .....	<del>(\$3,998,000)</del>
	<u>\$4,078,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$10,000 of the general fund--state appropriation for fiscal year 2006 and \$56,000 of the general fund-- state appropriation for fiscal year 2007 are provided solely for the implementation of Third

Substitute House Bill No. 1226 (campaign contribution limits). If Third Substitute House Bill No. 1226 is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

**Sec. 118.** 2005 c 518 s 119 (uncodified) is amended to read as follows:

SECRETARY OF STATE

**FOR THE SECRETARY OF STATE**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$19,102,000</del> ))
	<u>\$20,417,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$17,323,000</del> ))
	<u>\$18,154,000</u>
General Fund--Federal Appropriation .....	(( <del>\$7,092,000</del> ))
	<u>\$7,099,000</u>
General Fund--Private/Local Appropriation .....	(( <del>\$125,000</del> ))
	<u>\$207,000</u>
Archives and Records Management Account--State Appropriation .....	(( <del>\$8,127,000</del> ))
	<u>\$8,210,000</u>
Department of Personnel Services Account--State Appropriation .....	(( <del>\$719,000</del> ))
	<u>\$721,000</u>
Local Government Archives Account--State Appropriation .....	(( <del>\$12,138,000</del> ))
	<u>\$12,398,000</u>
Election Account--Federal Appropriation .....	(( <del>\$47,009,000</del> ))
	<u>\$53,010,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	<u>\$66,000</u>
<b>TOTAL APPROPRIATION</b> .....	(( <del>\$111,635,000</del> ))
	<u>\$120,282,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,296,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2) ((~~\$1,999,000~~)) \$2,441,000 of the general fund--state appropriation for fiscal year 2006 and \$2,403,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the verification of initiative and referendum petitions, maintenance of related voter registration records, and the publication and distribution of the voters and candidates pamphlet.

(3) \$125,000 of the general fund--state appropriation for fiscal year 2006 and \$118,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for legal advertising of state measures under RCW 29.27.072.

(4)(a) \$2,028,004 of the general fund--state appropriation for fiscal year 2006 and \$2,063,772 of the general fund--state appropriation for fiscal year 2007 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2005-07 biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in (a) and (b) of this subsection have been satisfactorily documented.

(b) The legislature finds that the commitment of on-going funding is necessary to ensure continuous, autonomous, and independent coverage of public affairs. For that purpose, the secretary of state shall enter into a contract with the nonprofit organization to provide public affairs coverage.

(c) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

(d) No portion of any amounts disbursed pursuant to this subsection may be used, directly or indirectly, for any of the following purposes:

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political subdivision of the state of Washington, or by the congress, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency;

(ii) Making contributions reportable under chapter 42.17 RCW; or

(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel, lodging, meals, or entertainment to a public officer or employee.

(5) \$196,000 of the general fund--state appropriation for fiscal year 2006 and \$173,000 of the general fund--state appropriation for fiscal year 2007 are provided for the implementation of House Bill No. 1749 (county election procedures). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(6) \$110,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the purposes of settling all claims in *Washington State Democratic Party, et al. v. Sam S. Reed, et al.*, United States District Court Western District of Washington at Tacoma Cause No. C00-5419FDB and related appeal. The expenditure of this appropriation is contingent on the release of all claims in the case and related appeal, and total settlement costs shall not exceed the appropriation in this subsection.

**Sec. 119.** 2005 c 518 s 120 (uncodified) is amended to read as follows:

GOVERNOR'S OFFICE OF INDIAN AFFAIRS

**FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS**

General Fund--State Appropriation (FY 2006)	\$277,000
General Fund--State Appropriation (FY 2007)	(( <del>\$289,000</del> ))
	<u>\$292,000</u>
<u>Pension Fund Stabilization Account--State Appropriation</u>	<u>\$1,000</u>
TOTAL APPROPRIATION	(( <del>\$566,000</del> ))
	<u>\$570,000</u>

The appropriations in this section are subject to the following conditions and limitations: The office shall assist the department of personnel on providing the government-to-government trainingsessions for federal, state, local, and tribal government employees. The training sessions shall cover tribal historical perspectives, legal issues, tribal sovereignty, and tribal governments. Costs of the training sessions shall be recouped through a fee charged to the participants of each session. The department of personnel shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

**Sec. 120.** 2005 c 518 s 121 (uncodified) is amended to read as follows:

COMMISSION ON ASIAN-PACIFIC-AMERICAN AFFAIRS

**FOR THE COMMISSION ON ASIAN-PACIFIC-AMERICAN AFFAIRS**

General Fund--State Appropriation (FY 2006)	\$235,000
General Fund--State Appropriation (FY 2007)	(( <del>\$238,000</del> ))
	<u>\$264,000</u>
<u>Pension Funding Stabilization Account Appropriation</u>	<u>\$1,000</u>
TOTAL APPROPRIATION	(( <del>\$473,000</del> ))
	<u>\$500,000</u>

**Sec. 121.** 2005 c 518 s 122 (uncodified) is amended to read as follows:

STATE TREASURER

**FOR THE STATE TREASURER**

State Treasurer's Service Account--State Appropriation	(( <del>\$14,124,000</del> ))
	<u>\$14,174,000</u>

**Sec. 122.** 2005 c 518 s 123 (uncodified) is amended to read as follows:

STATE AUDITOR

**FOR THE STATE AUDITOR**

General Fund--State Appropriation (FY 2006)	(( <del>\$1,884,000</del> ))
	<u>\$854,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$2,441,000</del> ))
	<u>\$748,000</u>
State Auditing Services Revolving Account--State Appropriation	(( <del>\$13,952,000</del> ))
	<u>\$14,011,000</u>
<u>Pension Funding Stabilization Account Appropriation</u>	<u>\$4,000</u>
TOTAL APPROPRIATION	(( <del>\$18,277,000</del> ))
	<u>\$15,617,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Audits of school districts by the division of municipal corporations shall include findings regarding the accuracy of: (a) Student enrollment data; and (b) the experience and education of the district's certified instructional staff, as reported to the superintendent of public instruction for allocation of state funding.

(2) \$731,000 of the general fund--state appropriation for fiscal year 2006 and \$727,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when requested.

(3) The office shall report to the office of financial management and the appropriate fiscal committees of the legislature detailed information on risk-based auditing, its theory, and its application for the audits performed on Washington state government. The report shall include an explanation of how the office identifies, measures, and prioritizes risk, the manner in which the office uses these factors in the planning and execution of the audits of Washington state government, and the methods and procedures used in the conduct of the risk-based audits themselves. The report is due no later than December 1, 2005.

(4) ((~~\$1,130,000~~)) \$100,000 of the general fund--state appropriation for fiscal year 2006((~~,-\$1,695,000 of the general fund--state appropriation for fiscal year 2007, and \$2,000 of the state auditing services revolving account--state appropriation for fiscal year 2006 are~~)) is provided solely for the implementation of Engrossed Substitute House Bill No. 1064 (government performance). ((If Engrossed Substitute House Bill No. 1064 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.))

(5) \$16,000 of the general fund--state appropriation for fiscal year 2006 is provided for a review of special education excess cost accounting and reporting requirements. The state auditor's office shall coordinate this work with the joint legislative audit and review committee's review of the special education excess cost accounting methodology and expenditure reporting requirements. The state auditor's review shall include an examination of whether school districts are (a) appropriately implementing the excess cost accounting methodology; (b) consistently charging special education expenses to the special education and basic education programs; (c) appropriately determining the percentage of expenditures that should be charged to the special education and basic education programs; and (d) appropriately and consistently reporting special education expenditures. The results of this review will be included in the joint legislative audit and review committee's report issued in January 2006.

**Sec. 123.** 2005 c 518 s 124 (uncodified) is amended to read as follows:

**CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS**

**FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS**

General Fund--State Appropriation (FY 2006)	\$137,000
General Fund--State Appropriation (FY 2007)	(\$206,000)
	<u>\$207,000</u>
TOTAL APPROPRIATION	(\$343,000)
	<u>\$344,000</u>

**Sec. 124.** 2005 c 518 s 125 (uncodified) is amended to read as follows:

**ATTORNEY GENERAL**

**FOR THE ATTORNEY GENERAL**

General Fund--State Appropriation (FY 2006)	(\$5,223,000)
	<u>\$5,303,000</u>
General Fund--State Appropriation (FY 2007)	(\$5,156,000)
	<u>\$5,222,000</u>
General Fund--Federal Appropriation	(\$2,973,000)
	<u>\$3,175,000</u>
Public Safety and Education Account--State Appropriation	(\$2,303,000)
	<u>\$2,307,000</u>
New Motor Vehicle Arbitration Account--State Appropriation	(\$1,313,000)
	<u>\$1,315,000</u>
Legal Services Revolving Account--State Appropriation	(\$185,970,000)
	<u>\$191,345,000</u>
<u>Health Services Account--State Appropriation</u>	<u>\$762,000</u>
Tobacco Prevention and Control Account--State Appropriation	\$270,000
<u>Pension Funding Stabilization Account Appropriation</u>	<u>\$21,000</u>
TOTAL APPROPRIATION	(\$203,208,000)
	<u>\$209,720,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year.

(2) Prior to entering into any negotiated settlement of a claim against the state that exceeds five million dollars, the attorney general shall notify the director of financial management and the chairs of the senate committee on ways and means and the house of representatives committee on appropriations.

(3) \$652,000 of the legal services revolving account is provided solely for expenditures related to the *Farrakhan v. Locke* litigation.

(4) \$40,000 of the general fund--state appropriation for fiscal year 2006 and \$157,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the attorney general to provide support and assistance to the clemency and pardons board pursuant to chapter 9.94A RCW.

**Sec. 125.** 2005 c 518 s 126 (uncodified) is amended to read as follows:

**CASELOAD FORECAST COUNCIL**

**FOR THE CASELOAD FORECAST COUNCIL**

General Fund--State Appropriation (FY 2006)	\$719,000
General Fund--State Appropriation (FY 2007)	(\$714,000)
	<u>\$716,000</u>
<u>Pension Funding Stabilization Account Appropriation</u>	<u>\$4,000</u>
TOTAL APPROPRIATION	(\$1,433,000)
	<u>\$1,439,000</u>

**Sec. 126.** 2005 c 518 s 127 (uncodified) is amended to read as follows:

DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT  
**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

General Fund--State Appropriation (FY 2006)	(((\$66,123,000))
	<u>\$67,659,000</u>
General Fund--State Appropriation (FY 2007)	(((\$67,151,000))
	<u>\$45,556,000</u>
General Fund--Federal Appropriation	(((\$246,886,000))
	<u>\$257,888,000</u>
General Fund--Private/Local Appropriation	(((\$12,229,000))
	<u>\$12,422,000</u>
Public Safety and Education Account--State Appropriation	(((\$5,439,000))
	<u>\$5,443,000</u>
Public Works Assistance Account--State Appropriation	(((\$3,395,000))
	<u>\$3,430,000</u>
Tourism Development and Promotion Account Appropriation	\$300,000
Drinking Water Assistance Administrative Account--State Appropriation	(((\$213,000))
	<u>\$345,000</u>
Lead Paint Account--State Appropriation	\$6,000
Building Code Council Account--State Appropriation	(((\$1,130,000))
	<u>\$1,133,000</u>
Administrative Contingency Account--State Appropriation	(((\$1,808,000))
	<u>\$1,809,000</u>
Low-Income Weatherization Assistance Account--State Appropriation	\$8,362,000
Violence Reduction and Drug Enforcement Account--State Appropriation	(((\$7,231,000))
	<u>\$7,234,000</u>
Manufactured Home Installation Training Account--State Appropriation	\$240,000
Community and Economic Development Fee Account--State Appropriation	\$1,570,000
Washington Housing Trust Account--State Appropriation	(((\$19,009,000))
	<u>\$33,536,000</u>
Homeless Families Services Account--State Appropriation	\$300,000
Public Facility Construction Loan Revolving Account--State Appropriation	(((\$614,000))
	<u>\$616,000</u>
<u>Pension Funding Stabilization Account Appropriation</u>	\$87,000
<b>TOTAL APPROPRIATION</b>	(((\$442,006,000))
	<u>\$447,936,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,838,000 of the general fund--state appropriation for fiscal year 2006 and \$2,838,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a contract with the Washington technology center for work essential to the mission of the Washington technology center and conducted in partnership with universities. The center shall not pay any increased indirect rate nor increases in other indirect charges above the absolute amount paid during the 1995-97 fiscal biennium.

(2) \$5,902,000 of the general fund--federal appropriation is provided solely for the justice assistance grant program, to be distributed in state fiscal year 2006 as follows:

- (a) \$2,064,000 to local units of government to continue multijurisdictional narcotics task forces;
- (b) \$330,000 to the department to continue the drug prosecution assistance program in support of multijurisdictional narcotics task forces;
- (c) \$675,000 to the Washington state patrol for coordination, investigative, and supervisory support to the multijurisdictional narcotics task forces and for methamphetamine education and response;
- (d) \$20,000 to the department for tribal law enforcement;
- (e) \$345,000 to the department to continue domestic violence legal advocacy;
- (f) \$60,000 to the department for community-based advocacy services to victims of violent crime, other than sexual assault and domestic violence;
- (g) \$351,000 to the department of social and health services, division of alcohol and substance abuse, for juvenile drug courts in eastern and western Washington;
- (h) \$626,000 to the department of social and health services to continue youth violence prevention and intervention projects;
- (i) \$97,000 to the department to continue evaluation of this grant program;
- (j) \$290,000 to the office of financial management for criminal history records improvement;
- (k) \$580,000 to the department for required grant administration, monitoring, and reporting on justice assistance grant programs; and
- (l) \$464,000 to the department for distribution to small municipalities.

These amounts represent the maximum justice assistance grant expenditure authority for each program. No program may expend justice assistance grant funds in excess of the amounts provided in this subsection. If moneys in excess of those appropriated in this subsection become available, whether from prior or current fiscal year distributions, the department shall hold these moneys in reserve and may not expend them without specific appropriation. These moneys shall be carried forward and applied to the pool of moneys available for appropriation for

programs and projects in the succeeding fiscal year. As part of its budget request for the succeeding year, the department shall estimate and request authority to spend any justice assistance grant funds.

(3) \$3,600,000 of the general fund--federal appropriation is provided solely for the justice assistance grant program, to be distributed in state fiscal year 2007 as follows:

(a) \$2,013,000 to local units of government to continue multijurisdictional narcotics task forces;

(b) \$330,000 to the department to continue the drug prosecution assistance program in support of multijurisdictional narcotics task forces;

(c) \$675,000 to the Washington state patrol for coordination, investigative, and supervisory support to the multijurisdictional narcotics task forces;

(d) \$110,000 to the department to support the governor's council on substance abuse;

(e) \$97,000 to the department to continue evaluation of the justice assistance grant program;

(f) \$360,000 to the department for required grant administration, monitoring, and reporting on justice assistance grant programs; and

(g) \$15,000 to the department for a tribal and local law enforcement statewide summit.

(4) \$170,000 of the general fund--state appropriation for fiscal year 2006 and ~~(\$170,000)~~ \$700,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to fund domestic violence legal advocacy, in recognition of reduced federal grant funding.

~~((4))~~ (5) \$28,848,000 of the general fund--state appropriation for fiscal year 2006 ~~(and \$29,941,000 of the general fund--state appropriation for fiscal year 2007 are)~~ is provided solely for providing early childhood education assistance. Of ~~(these)~~ this amount ~~(s)~~, \$1,497,000 ~~(in each fiscal year)~~ is provided solely to increase the number of children receiving education, and \$1,052,000 ~~(in fiscal year 2006 and \$2,146,000 in fiscal year 2007 are)~~ is provided solely for a targeted vendor rate increase.

~~((5))~~ (6) Repayments of outstanding loans granted under RCW 43.63A.600, the mortgage and rental assistance program, shall be remitted to the department, including any current revolving account balances. The department shall contract with a lender or contract collection agent to act as a collection agent of the state. The lender or contract collection agent shall collect payments on outstanding loans, and deposit them into an interest-bearing account. The funds collected shall be remitted to the department quarterly. Interest earned in the account may be retained by the lender or contract collection agent, and shall be considered a fee for processing payments on behalf of the state. Repayments of loans granted under this chapter shall be made to the lender or contract collection agent as long as the loan is outstanding, notwithstanding the repeal of the chapter.

~~((6))~~ (7) \$1,288,000 of the Washington housing trust account--state appropriation is provided solely to implement Engrossed House Bill No. 1074. If the bill is not enacted by June 30, 2005, the amounts in this subsection shall lapse.

~~((7))~~ (8) \$725,000 of the general fund--state appropriation for fiscal year 2006 and \$725,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for food banks to obtain and distribute additional nutritious food; and purchase equipment to transport and store perishable products.

~~((8) \$500,000)~~ (9) \$1,000,000 of the general fund--state appropriation for fiscal year 2006 and ~~(\$500,000)~~ \$1,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the community services block grant program to help meet current service demands that exceed available community action resources.

~~((9))~~ (10) \$215,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for matching funds for a federal economic development administration grant awarded to the city of Kent to conduct a feasibility study and economic analysis for the establishment of a center for advanced manufacturing.

~~((10))~~ (11) \$20,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the department to compile a report on housing stock in Washington state to identify areas of potentially high risk for child lead exposure. This report shall include an analysis of existing data regarding the ages of housing stock in specific regions and an analysis of data regarding actual lead poisoning cases, which shall be provided by the department of health's childhood lead poisoning surveillance program.

~~((11))~~ (12) \$150,000 of general fund--state appropriation for fiscal year 2006 is provided solely for the Cascade land conservancy to develop and implement a plan for regional conservation within King, Kittitas, Pierce, and Snohomish counties.

~~((12))~~ (13) \$50,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the support, including safety and security costs, of the America's freedom salute to be held in the Vancouver, Washington area.

~~((13))~~ (14) \$250,000 of the general fund--state appropriation for fiscal year 2006 and \$250,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to Snohomish county for a law enforcement and treatment methamphetamine pilot program. \$250,000 of the general fund--state appropriation for fiscal year 2006 and \$250,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to the Pierce county alliance's methamphetamine family services treatment program and safe streets of Tacoma's methamphetamine prevention service.

~~((14))~~ (15) \$50,000 of the general fund--state appropriation is provided solely for one pilot project to promote the study and implementation of safe neighborhoods through community planning.

~~((15))~~ (16) \$287,000 of the general fund--state appropriation for fiscal year 2006 and \$288,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for Walla Walla community college to establish the water and environmental studies center to provide workforce education and training, encourage innovative approaches and practices that address environmental and cultural issues, and facilitate the Walla Walla watershed alliance role in promoting communication leading to cooperative conservation efforts that effectively address urban and rural water and environmental issues.

~~((16))~~ (17) \$50,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for work with the northwest food processors association on the food processing cluster development project.

~~((17) \$200,000 of the general fund--state appropriation for fiscal year 2006 and \$100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the northwest agriculture incubator project, which will support small farms in economic development)~~ (18) \$140,000 of the general fund--state appropriation for fiscal year 2006 and \$210,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the northwest agriculture incubator project, which will support small farms in economic development.

~~((18))~~ (19) \$75,000 of the general fund--state appropriation for fiscal year 2006 and \$75,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to the department of community, trade, and economic development as the final appropriation for the youth assessment center in Pierce county for activities dedicated to reducing the rate of incarceration of juvenile offenders.

~~((19))~~ (20) \$235,000 of the general fund--state appropriation for fiscal year 2006 and \$235,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of the small business incubator program. \$250,000 must be distributed as grants and must be matched by an equal amount of private funds.

~~((20))~~ (21) The department shall coordinate any efforts geared towards the 2010 Olympics with the regional effort being conducted by the Pacific northwest economic region, a statutory committee.

~~((21))~~ (22) \$75,000 of the general fund--state appropriation for fiscal year 2006 and \$75,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for HistoryLink to expand its free, noncommercial online encyclopedia service on state and local history.

~~((22))~~ (23) \$25,000 of the general fund--state appropriation for fiscal year 2006 and \$25,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for Women's Hearth, a nonprofit program serving the Spokane area's homeless and low-income women. (24) \$250,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to the Pacific Science Center to host the dead sea scrolls exhibition in September 2006.

(25) \$500,000 of the general fund--state appropriation for fiscal year 2006 and \$1,500,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for providing statewide sexual assault services.

(26) \$96,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the Olympic loop of the great Washington state birding trail.

(27) \$529,000 of the general fund--federal appropriation for fiscal year 2007 is provided solely for the department to provide to the department of archeology and historic preservation through an interagency agreement. The full amount of federal funding shall be transferred. The department of community, trade, and economic development shall not retain any portion for administrative purposes.

(28) \$50,000 of the general fund--state appropriation in fiscal year 2007 is provided solely to the suburban cities association to fully fund a buildable lands program manager position.

(29) \$116,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for an increase to the statewide coordination of the volunteer programs for court-appointed special advocates.

(30) \$25,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the energy facilities siting and evaluation council to make rules related to RCW 80.70.070, the carbon dioxide mitigation statute.

(31) \$712,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the department to provide each county with an additional 0.5 FTE for prosecutors' victim/witness units.

(32) \$250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the department to implement a minimum of two demonstration pilot projects related to transfer of development rights in cooperation with county legislative authorities. Projects may receive no more than \$100,000.

(33) \$250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the Seattle police department, and is to be divided evenly between the weed and seed programs in southeast Seattle and South Delridge/White Center to mitigate a one-year funding lapse from the federal department of justice. This appropriation is for the continuation of community police work and community building in these areas.

(34) \$125,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to the Thurston county prosecutor's office, for the Rochester weed and seed program to mitigate a one-year funding lapse from the federal department of justice. This appropriation is for the continuation of community police work and community building in Rochester.

(35) \$250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to the city of Poulsbo for the reopening of the Poulsbo marine science center as an educational facility on the Puget Sound marine environment.

(36) \$544,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for an upgrade to discovery park's daybreak star cultural center electrical system.

(37) \$670,000 of the housing trust account appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 2418 (affordable housing program). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(38) \$600,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Second Substitute House Bill No. 2498 (cluster-based economic development). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(39) \$186,000 of the general fund--local appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2402 (energy facilities). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(40) \$118,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of House Bill No. 3156 (low income persons). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(41) \$600,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Third Substitute House Bill No. 1815 (small business incubators). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

**Sec. 127.** 2005 c 518 s 128 (uncodified) is amended to read as follows:

**ECONOMIC AND REVENUE FORECAST COUNCIL**

**FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

General Fund--State Appropriation (FY 2006)	(( <del>\$573,000</del> ))
	\$579,000
General Fund--State Appropriation (FY 2007)	(( <del>\$517,000</del> ))
	\$523,000

<u>Pension Funding Stabilization Account Appropriation</u> .....	\$3,000
TOTAL APPROPRIATION .....	(((\$1,090,000))
	<u>\$1,105,000</u>

**Sec. 128.** 2005 c 518 s 129 (uncodified) is amended to read as follows:

OFFICE OF FINANCIAL MANAGEMENT

**FOR THE OFFICE OF FINANCIAL MANAGEMENT**

General Fund--State Appropriation (FY 2006) .....	(((\$16,993,000))
	<u>\$17,709,000</u>
General Fund--State Appropriation (FY 2007) .....	(((\$16,050,000))
	<u>\$19,896,000</u>
General Fund--Federal Appropriation .....	(((\$23,550,000))
	<u>\$23,555,000</u>
<u>General Fund--Private/Local Appropriation</u> .....	<u>\$1,216,000</u>
Public Works Assistance Account--State Appropriation .....	\$200,000
Violence Reduction and Drug Enforcement Account--State Appropriation .....	\$246,000
State Auditing Services Revolving Account--State Appropriation .....	\$25,000
<u>Pension Funding Stabilization Account Appropriation</u> .....	<u>\$100,000</u>
TOTAL APPROPRIATION .....	(((\$57,064,000))
	<u>\$62,947,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$200,000 of the public works assistance account appropriation is provided solely for an inventory and evaluation of the most effective way to organize the state public infrastructure programs and funds. The inventory and evaluation shall be delivered to the governor and the appropriate committees of the legislature by September 1, 2005.

(2)(a) ((~~\$182,000~~)) \$62,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for an advisory council to study residential services for persons with developmental disabilities. The study shall identify a preferred system of services and a plan to implement the system within four years. Recommendations shall be provided on the services that best address client needs in different regions of the state and on the preferred system by January 1, 2006. The office of financial management may contract for specialized services to complete the study.

(b) The advisory council shall consist of thirteen members. Members appointed by the governor, include one representative from each of the governor's office or the office of financial management, the department of social and health services, the Washington state disabilities council, two labor organizations, the community residential care providers, residents of residential habilitation centers, individuals served by community residential programs, and individuals with developmental disabilities who reside or resided in residential habilitation centers. The advisory council shall also include two members of the house of representatives appointed by the speaker of the house of representatives representing the majority and minority caucuses and two members of the senate appointed by the president of the senate representing the majority and minority caucuses. Legislative members of the advisory group shall be reimbursed in accordance with RCW 44.04.120, and nonlegislative members in accordance with RCW 43.03.050 and 44.04.120. Staff support shall be provided by the department of social and health services, the developmental disabilities council, the office of financial management, the house of representatives office of program research, and senate committee services.

(3) \$1,041,000 of the general fund--state appropriation for fiscal year 2006 and \$706,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5441 (studying early learning, K-12, and higher education). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(4) \$200,000 of the general fund--state appropriation for fiscal year 2006 is provided to the office of regulatory assistance and is subject to the following conditions and limitations:

(a) This amount is provided solely for the enhanced planning and permit pilot program; and

(b) Regulatory assistance is to select two local government planning and permitting offices to participate in an enhanced permit assistance pilot program. Such enhancement may include, but is not limited to:

(i) Creation of local and state interagency planning and permit review teams;

(ii) Use of advanced online planning and permit applications;

(iii) Using loaned executives; and

(iv) Additional technical assistance and guidance for permit applicants.

(5) \$303,000 of the general fund--state appropriation for fiscal year 2006 and \$255,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Second Substitute House Bill No. 1970 (government management). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(6) \$200,000 of the general fund--state appropriation for fiscal year 2006 and \$200,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for implementation of Substitute Engrossed House Bill No. 1242 (budgeting outcomes and priorities). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(7) The department of ecology, the department of fish and wildlife, the department of natural resources, the conservation commission, and the interagency committee for outdoor recreation shall make recommendations to improve or eliminate monitoring activities related to salmon recovery and watershed health. The agencies shall coordinate with the governor's forum on monitoring and watershed health and consult with the office of financial management in determining the scope and contents of the report.

The agencies shall prepare a report detailing all new activity and updating all previously identified activity within the comprehensive monitoring strategy. The report shall identify the monitoring activity being performed and include: The purpose of the monitoring activity, when the activity started, who uses the information, how often it is accessed, what costs are incurred by fund, what frequency is used to collect data, what geographic location is used to collect data, where the information is stored, and what is the current status and cost by fund source of the data storage systems.

The agencies shall provide a status report summarizing progress to the governor's forum on monitoring and watershed health and the office of financial management by March 1, 2006. A final report to the governor's monitoring forum, the office of financial management, and the appropriate legislative fiscal committees shall be submitted no later than September 1, 2006.

(8) \$200,000 of the general fund--state appropriation for fiscal year 2007 is provided to the office of financial management for the purpose of contracting with the Washington State University and University of Washington policy consensus center to provide project coordination for the office of financial management, the department of agriculture, the conservation commission, and the department of community, trade, and economic development to work with farmers, ranchers, and other interested parties to identify potential agricultural pilot projects that both enhance farm income and improve protection of natural resources.

(9) \$50,000 of the general fund--state appropriation for fiscal year 2006 and \$500,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the office of regulatory assistance to implement activities supporting the governor's regulatory improvement program including deployment of interagency permit teams, a business portal, programmatic permits, and an alternative mitigation program.

(10) The office of financial management shall prepare a report on state-purchased health care costs and expenditures. The report shall analyze the growth in state-purchased health care costs over the last five biennia and compare growth to other state expenditures and state revenues. The report shall propose options for funding the increases in state-funded health care, along with options for adjusting or containing state-funded health care expenditures within a constant portion of total estimated revenues.

(11) \$1,032,000 of the general fund--state appropriation for fiscal year 2006 and \$1,695,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement Substitute House Bill No. 3109 (government performance). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(12) \$46,000 of the general fund--state appropriation for fiscal year 2006 and \$131,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for implementation of Engrossed Second Substitute House Bill No. 2353 (family child care providers). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(13) \$50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the Washington state quality award program to assist state agencies in obtaining the goals of the Washington state quality award.

**Sec. 129.** 2005 c 518 s 130 (uncodified) is amended to read as follows:

OFFICE OF ADMINISTRATIVE HEARINGS

**FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

Administrative Hearings Revolving Account--State Appropriation . . . . .	(( <del>\$29,490,000</del> ))
	<u>\$29,595,000</u>

The appropriation in this section is subject to the following conditions and limitations: \$103,000 of the administrative hearing revolving account--state appropriation is provided solely to determine, in collaboration with other state agencies, the best mechanism of digital recording for the office of administrative hearings, the manner of conversion from tape recording to digital recording, and the purchase of digital recording devices.

**Sec. 130.** 2005 c 518 s 131 (uncodified) is amended to read as follows:

DEPARTMENT OF PERSONNEL

**FOR THE DEPARTMENT OF PERSONNEL**

Department of Personnel Service Account--State Appropriation . . . . .	(( <del>\$20,323,000</del> ))
	<u>\$26,888,000</u>
Higher Education Personnel Services Account--State Appropriation . . . . .	(( <del>\$1,634,000</del> ))
	<u>\$1,656,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$21,957,000</del> ))
	<u>\$28,544,000</u>

The appropriations in this section are subject to the following conditions and limitations: The department shall coordinate with the governor's office of Indian affairs on providing the government-to-government training sessions for federal, state, local, and tribal government employees. The training sessions shall cover tribal historical perspectives, legal issues, tribal sovereignty, and tribal governments. Costs of the training sessions shall be recouped through a fee charged to the participants of each session. The department shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

**Sec. 131.** 2005 c 518 s 132 (uncodified) is amended to read as follows:

WASHINGTON STATE LOTTERY

**FOR THE WASHINGTON STATE LOTTERY**

Lottery Administrative Account--State Appropriation . . . . .	(( <del>\$24,087,000</del> ))
	<u>\$24,160,000</u>

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section may not be expended by the Washington state lottery for any purpose associated with a lottery game offered through any interactive electronic device, including the internet, other than research to support the efforts of the select committee on gambling policy as provided in Senate Concurrent Resolution No. 8417.

**Sec. 132.** 2005 c 518 s 133 (uncodified) is amended to read as follows:

COMMISSION ON HISPANIC AFFAIRS

**FOR THE COMMISSION ON HISPANIC AFFAIRS**

General Fund--State Appropriation (FY 2006)	\$238,000
General Fund--State Appropriation (FY 2007)	(\$247,000)
	<u>\$248,000</u>
<u>Pension Funding Stabilization Account Appropriation</u>	<u>\$1,000</u>
TOTAL APPROPRIATION	(\$485,000)
	<u>\$487,000</u>

**Sec. 133.** 2005 c 518 s 134 (uncodified) is amended to read as follows:

COMMISSION ON AFRICAN-AMERICAN AFFAIRS

**FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS**

General Fund--State Appropriation (FY 2006)	\$237,000
General Fund--State Appropriation (FY 2007)	(\$240,000)
	<u>\$241,000</u>
<u>Pension Funding Stabilization Account Appropriation</u>	<u>\$1,000</u>
TOTAL APPROPRIATION	(\$477,000)
	<u>\$479,000</u>

**Sec. 134.** 2005 c 518 s 135 (uncodified) is amended to read as follows:

PERSONNEL APPEALS BOARD

**FOR THE PERSONNEL APPEALS BOARD**

Department of Personnel Service Account--State Appropriation	(\$1,043,000)
	<u>\$1,119,000</u>

**Sec. 135.** 2005 c 518 s 136 (uncodified) is amended to read as follows:

DEPARTMENT OF RETIREMENT SYSTEMS|| OPERATIONS

**FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS**

Dependent Care Administrative Account--State Appropriation	(\$416,000)
	<u>\$413,000</u>
Department of Retirement Systems Expense Account--State Appropriation	(\$45,056,000)
	<u>\$46,264,000</u>
TOTAL APPROPRIATION	(\$45,472,000)
	<u>\$46,677,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$13,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1327, chapter 65, Laws of 2005 (purchasing service credit).
- (2) \$10,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1269, chapter 21, Laws of 2005 (law enforcement officers' and fire fighters' retirement system plan 2 service credit purchase).
- (3) \$55,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1270 (law enforcement officers' and fire fighters' retirement system plan 2 postretirement employment). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.
- (4) \$26,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1319, chapter 62, Laws of 2005 (law enforcement officers' and fire fighters' retirement system plan 1 ex-spouse benefits).
- (5) \$46,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1325, chapter 64, Laws of 2005 (military service credit purchase).
- (6) \$79,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1329, chapter 67, Laws of 2005 (law enforcement officers' and fire fighters' retirement system plan 1 reduced survivor benefit).
- (7) \$56,000 of the department of retirement systems expense account appropriation is provided solely to implement House Bill No. 1936 (emergency medical technician membership in law enforcement officers' and fire fighters' retirement system plan 2 service). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.
- (8) \$16,000 of the department of retirement systems expense account is provided solely to implement Senate Bill No. 5522 (purchasing service credit lost due to injury). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.
- (9) \$80,000 of the department of retirement systems expense account--state appropriation is provided solely to implement House Bill No. 2687 (minimum monthly retirement). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(10) \$230,000 of the department of retirement systems expense account--state appropriation is provided solely to implement House Bill No. 2932 (catastrophic disability benefit). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(11) \$78,000 of the department of retirement systems expense account--state appropriation is provided solely to implement Substitute House Bill No. 2684 (plan 3 five-year vesting). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) \$88,000 of the department of retirement systems expense account--state appropriation is provided solely to implement Substitute House Bill No. 2689 (reemployment of retirees). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(13) \$117,000 of the department of retirement systems expense account--state appropriation is provided solely to implement House Bill No. 2690 (service credit purchase). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(14) \$111,000 of the department of retirement systems expense account--state appropriation is provided solely to implement Engrossed Substitute House Bill No. 2680 (TRS out-of-state service credit). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(15) \$375,000 of the department of retirement systems expense account--state appropriation is provided solely to implement Engrossed Substitute House Bill No. 2691 (retirement for justices). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

**Sec. 136.** 2005 c 518 s 137 (uncodified) is amended to read as follows:

STATE INVESTMENT BOARD

**FOR THE STATE INVESTMENT BOARD**

State Investment Board Expense Account--State Appropriation .....	(( <del>\$16,020,000</del> ))
	<u>\$16,123,000</u>

**Sec. 137.** 2005 c 518 s 138 (uncodified) is amended to read as follows:

DEPARTMENT OF REVENUE

**FOR THE DEPARTMENT OF REVENUE**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$90,065,000</del> ))
	<u>\$90,319,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$91,207,000</del> ))
	<u>\$92,240,000</u>
Timber Tax Distribution Account--State Appropriation .....	(( <del>\$5,609,000</del> ))
	<u>\$5,627,000</u>
<u>Real Estate Excise Tax Grant Account--State Appropriation .....</u>	<u>\$3,900,000</u>
Waste Reduction/Recycling/Litter Control--State Appropriation .....	\$108,000
State Toxics Control Account--State Appropriation .....	\$73,000
Oil Spill Prevention Account--State Appropriation .....	\$14,000
<u>Pension Funding Stabilization Account Appropriation .....</u>	<u>\$447,000</u>
TOTAL APPROPRIATION .....	(( <del>\$187,076,000</del> ))
	<u>\$192,728,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$113,000 of the general fund--state appropriation for fiscal year 2006, and \$93,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of House Bill No. 1315 (modifying disclosure requirements for the purposes of the real estate excise tax). If House Bill No. 1315 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(2) \$7,000 of the general fund--state appropriation for fiscal year 2006 and \$2,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute Senate Bill No. 5101 (renewable energy). If Substitute Senate Bill No. 5101 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(3) \$100,000 of the general fund--state appropriation for fiscal year 2006 ~~(is)~~ and \$114,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Engrossed House Bill No. 1241 (modifying vehicle licensing and registration penalties). ~~((If Engrossed House Bill No. 1241 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.))~~

(4) \$1,390,000 of the general fund--state appropriation for fiscal year 2006, and \$1,240,000 of the general fund--state appropriation for fiscal year 2007 are ~~((provided solely))~~ for the department to employ strategies to enhance current revenue enforcement activities.

(5) \$5,121 of the general fund--state appropriation for fiscal year 2006 is provided solely to satisfy two claims to estate property, pursuant to RCW 11.76.245.

(6) \$109,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Engrossed Second Substitute House Bill No. 2673 (local infrastructure). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(7) \$51,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2804 (nonprofit schools/tax exempt). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(8) \$43,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2432 (property tax exemption). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(9) \$27,000 of the general fund--state appropriation for fiscal year 2006 and \$7,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 2457 (tax relief/farm machinery). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(10) \$29,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of House Bill No. 2466 (tax relief for aerospace). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(11) \$108,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of House Bill No. 2671 (excise tax relief). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) \$30,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Engrossed Substitute House Bill No. 2565 (worker training B&O tax). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(13) \$33,000 of the general fund--state appropriation for fiscal year 2006 and \$10,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 2640 (biotechnology product). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(14) \$176,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2670 (hospital benefit zones). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

**Sec. 138.** 2005 c 518 s 139 (uncodified) is amended to read as follows:

BOARD OF TAX APPEALS

**FOR THE BOARD OF TAX APPEALS**

General Fund--State Appropriation (FY 2006) .....	\$1,362,000
General Fund--State Appropriation (FY 2007) .....	(\$1,211,000)
	<u>\$1,213,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	\$6,000
TOTAL APPROPRIATION .....	(\$2,573,000)
	<u>\$2,581,000</u>

**Sec. 139.** 2005 c 518 s 141 (uncodified) is amended to read as follows:

OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

**FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

OMWBE Enterprises Account--State Appropriation .....	(\$3,186,000)
	<u>\$3,196,000</u>

The appropriation in this section is subject to the following conditions and limitations: \$180,000 of the OMWBE enterprises account appropriation is provided solely for management of private sector grants and coordination of support services to small businesses in the state. It is the intent of the legislature that this amount be funded from new grant revenues and business fees.

**Sec. 140.** 2005 c 518 s 142 (uncodified) is amended to read as follows:

DEPARTMENT OF GENERAL ADMINISTRATION

**FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

General Fund--State Appropriation (FY 2006) .....	\$321,000
General Fund--State Appropriation (FY 2007) .....	(\$233,000)
	<u>\$359,000</u>
General Fund--Federal Appropriation .....	(\$3,640,000)
	<u>\$3,641,000</u>
General Administration Service Account--State Appropriation .....	(\$32,045,000)
	<u>\$32,163,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	\$1,000
TOTAL APPROPRIATION .....	(\$36,239,000)
	<u>\$36,485,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$75,000 of the general fund--state appropriation for fiscal year 2006 (~~is~~) and \$125,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of House Bill No. 1830 (alternative public works). If Engrossed Substitute House Bill No. 1830 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

**Sec. 141.** 2005 c 518 s 143 (uncodified) is amended to read as follows:

DEPARTMENT OF INFORMATION SERVICES

**FOR THE DEPARTMENT OF INFORMATION SERVICES**

<u>General Fund--State Appropriation (FY 2007)</u> .....	\$1,500,000
<u>General Fund--Federal Appropriation</u> .....	\$350,000
Data Processing Revolving Account--State Appropriation .....	(\$3,612,000)
	<u>\$3,621,000</u>
Public Safety and Education Account--State Appropriation .....	\$684,000
TOTAL APPROPRIATION .....	(\$4,296,000)
	<u>\$6,155,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$1,500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to support the operations of the digital learning commons. By September 1, 2006, the digital learning commons shall develop and implement a plan to become a self-supporting operation. The plan implemented shall allow for the digital learning commons to be entirely supported by user fees and private contributions by September 1, 2008.

**Sec. 142.** 2005 c 518 s 144 (uncodified) is amended to read as follows:

INSURANCE COMMISSIONER

**FOR THE INSURANCE COMMISSIONER**

General Fund--Federal Appropriation .....	((\$673,000))
	<u>\$1,513,000</u>
Insurance Commissioners Regulatory Account--State Appropriation .....	((\$40,253,000))
	<u>\$40,902,000</u>
TOTAL APPROPRIATION .....	((\$40,926,000))
	<u>\$42,415,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$42,000 of the insurance commissioner's regulatory account appropriation is provided solely to implement Substitute House Bill No. 2553 (service contracts). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

**Sec. 143.** 2005 c 518 s 145 (uncodified) is amended to read as follows:

BOARD OF ACCOUNTANCY

**FOR THE BOARD OF ACCOUNTANCY**

Certified Public Accountants' Account--State Appropriation .....	((\$1,962,000))
	<u>\$2,236,000</u>

**Sec. 144.** 2005 c 518 s 146 (uncodified) is amended to read as follows:

FORENSIC INVESTIGATION COUNCIL

**FOR THE FORENSIC INVESTIGATION COUNCIL**

Death Investigations Account--State Appropriation .....	((\$282,000))
	<u>\$283,000</u>

The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the death investigation account appropriation is provided solely for providing financial assistance to local jurisdictions in multiple death investigations. The forensic investigation council shall develop criteria for awarding these funds for multiple death investigations involving an unanticipated, extraordinary, and catastrophic event or those involving multiple jurisdictions.

**Sec. 145.** 2005 c 518 s 147 (uncodified) is amended to read as follows:

HORSE RACING COMMISSION

**FOR THE HORSE RACING COMMISSION**

Horse Racing Commission Operating Account--State Appropriation .....	((\$5,009,000))
	<u>\$5,027,000</u>

**Sec. 146.** 2005 c 518 s 148 (uncodified) is amended to read as follows:

LIQUOR CONTROL BOARD

**FOR THE LIQUOR CONTROL BOARD**

General Fund--State Appropriation (FY 2006) .....	\$1,739,000
General Fund--State Appropriation (FY 2007) .....	((\$1,706,000))
	<u>\$1,720,000</u>
Liquor Control Board Construction and Maintenance Account--State Appropriation .....	\$12,832,000
Liquor Revolving Account--State Appropriation .....	((\$154,080,000))
	<u>\$157,674,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	<u>\$7,000</u>
TOTAL APPROPRIATION .....	((\$170,357,000))
	<u>\$173,972,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) As authorized under RCW 66.16.010, the liquor control board shall add an equivalent surcharge of \$0.42 per liter on all retail sales of spirits, excluding licensee, military and tribal sales, effective no later than July 1, 2005. The intent of this surcharge is to generate additional revenues for the state general fund in the 2005-07 biennium.

(2) \$154,000 of the liquor revolving account--state appropriation is provided solely for the lease of state vehicles from the department of general administration's motor pool.

(3) \$2,228,000 of the liquor revolving account--state appropriation is provided solely for costs associated with the installation of a wide area network that connects all of the state liquor stores and the liquor control board headquarters.

(4) \$186,000 of the liquor revolving account--state appropriation is provided solely for an alcohol education staff coordinator and associated alcohol educational resources targeted toward middle school and high school students.

(5) \$2,261,000 of the liquor revolving account--state appropriation is provided solely for replacement of essential computer equipment, improvement of security measures, and improvement to the core information technology infrastructure.

(6) \$2,800,000 of the liquor control board construction and maintenance account--state appropriation is provided solely for the certificate of participation to fund the expansion of the liquor distribution center.

(7) \$3,233,000 of the liquor revolving account--state appropriation is provided solely for upgrades to material handling system and warehouse management system software and equipment, and associated staff to increase the liquor distribution center's shipping capacity.

(8) \$2,746,000 of the liquor revolving account--state appropriation is provided solely for additional state liquor store and retail business analysis staff. The additional liquor store staff will be deployed to those stores with the greatest potential for increased customer satisfaction and revenue growth. The liquor control board, using the new retail business analysis staff and, if needed, an independent consultant, will analyze the impact of additional staff on customer satisfaction and revenue growth and make recommendations that will increase the effectiveness and efficiency of all the liquor control board's retail-related activities. Using best practices and benchmarks from comparable retail organizations, the analysis will evaluate and make recommendations, at a minimum, on the following issues: Optimal staffing levels and store locations and numbers of stores (both state liquor stores and contract liquor stores); options for an improved retail organizational structure; strategies to increase the retail decision-making capacity; and resources required for enhanced internal organizational support of the retail activities. In support of this evaluation, a survey shall be employed to gauge customer satisfaction with state and contract liquor store services. A written evaluation with recommendations shall be submitted to the governor and the legislative fiscal committees by October 1, 2006.

(9) \$187,000 of the general fund--state appropriation for fiscal year 2006 and \$122,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Senate Bill No. 6097 (tobacco products enforcement). If Senate Bill No. 6097 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(10) \$1,435,000 of the liquor revolving account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1379 (liquor retail plan). If Substitute House Bill No. 1379 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

**Sec. 147.** 2005 c 518 s 149 (uncodified) is amended to read as follows:

UTILITIES AND TRANSPORTATION COMMISSION

**FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

Public Service Revolving Account--State Appropriation .....	(( <del>\$28,436,000</del> ))
	<u>\$28,707,000</u>
Pipeline Safety Account--State Appropriation .....	(( <del>\$2,877,000</del> ))
	<u>\$2,894,000</u>
Pipeline Safety Account--Federal Appropriation .....	(( <del>\$1,535,000</del> ))
	<u>\$1,539,000</u>
TOTAL APPROPRIATION .....	(( <del>\$32,848,000</del> ))
	<u>\$33,140,000</u>

**Sec. 148.** 2005 c 518 s 150 (uncodified) is amended to read as follows:

BOARD FOR VOLUNTEER FIREFIGHTERS

**FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

Volunteer Firefighters' and Reserve Officers'

Administrative Account--State Appropriation .....	(( <del>\$768,000</del> ))
	<u>\$938,000</u>

**Sec. 149.** 2005 c 518 s 151 (uncodified) is amended to read as follows:

MILITARY DEPARTMENT

**FOR THE MILITARY DEPARTMENT**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$10,084,000</del> ))
	<u>\$10,137,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$9,362,000</del> ))
	<u>\$12,887,000</u>
General Fund--Federal Appropriation .....	(( <del>\$165,970,000</del> ))
	<u>\$214,322,000</u>
General Fund--Private/Local Appropriation .....	\$2,000
Enhanced 911 Account--State Appropriation .....	(( <del>\$34,766,000</del> ))
	<u>\$34,812,000</u>
Disaster Response Account--State Appropriation .....	(( <del>\$2,277,000</del> ))
	<u>\$1,632,000</u>
Disaster Response Account--Federal Appropriation .....	(( <del>\$11,008,000</del> ))
	<u>\$6,297,000</u>

Worker and Community Right-to-Know Account--State Appropriation	(( <del>\$314,000</del> ))
	<u>\$315,000</u>
Nisqually Earthquake Account--State Appropriation	(( <del>\$6,713,000</del> ))
	<u>\$6,531,000</u>
Nisqually Earthquake Account--Federal Appropriation	(( <del>\$29,127,000</del> ))
	<u>\$27,075,000</u>
Military Department Rental and Lease Account--State Appropriation	\$378,000
<u>Pension Funding Stabilization Account Appropriation</u>	<u>\$44,000</u>
TOTAL APPROPRIATION	(( <del>\$270,001,000</del> ))
	<u>\$314,432,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) ~~(\$2,277,000)~~ \$1,632,000 of the disaster response account--state appropriation and ~~(\$11,008,000)~~ \$6,297,000 of the disaster response account--federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of financial management. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2005-07 biennium based on current revenue and expenditure patterns.

(2) ~~(\$6,713,000)~~ \$6,531,000 of the Nisqually earthquake account--state appropriation and ~~(\$29,127,000)~~ \$27,075,000 of the Nisqually earthquake account--federal appropriation are provided solely for response and recovery costs associated with the February 28, 2001, earthquake. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing earthquake recovery costs, including: (a) Estimates of total costs; (b) incremental changes from the previous estimate; (c) actual expenditures; (d) estimates of total remaining costs to be paid; and (e) estimates of future payments by biennium. This information shall be displayed by fund, by type of assistance, and by amount paid on behalf of state agencies or local organizations. The military department shall also submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the Nisqually earthquake account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2005-07 biennium based on current revenue and expenditure patterns.

(3) ~~(\$127,586,000)~~ \$173,613,000 of the general fund--federal appropriation is provided solely for homeland security, subject to the following conditions:

(a) Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee;

(b) This amount shall not be allotted until a spending plan is reviewed by the governor's domestic security advisory group and approved by the office of financial management;

(c) The department shall submit a quarterly report to the office of financial management and the legislative fiscal committees detailing the governor's domestic security advisory group recommendations; homeland security revenues and expenditures, including estimates of total federal funding for the state; incremental changes from the previous estimate, planned and actual homeland security expenditures by the state and local governments with this federal funding; and matching or accompanying state or local expenditures; and

(d) The department shall submit a report by December 1st of each year to the office of financial management and the legislative fiscal committees detailing homeland security revenues and expenditures for the previous fiscal year by county and legislative district.

(4) \$867,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the Cowlitz county 911 communications center for the purpose of purchasing or reimbursing the purchase of interoperable radio communication technology to improve disaster response in the Mount St. Helens area.

(5) No funds from sources other than fees from voice over internet protocol (VOIP) providers may be used to implement technologies specific to the integration of VOIP 911 with E-911. The military department, in conjunction with the department of revenue, shall propose methods for assuring the collection of an appropriate enhanced 911 excise tax from VOIP 911 providers and shall report their recommendations to the legislature by November 1, 2005.

(6) \$41,000 of the enhanced 911 account appropriation is provided solely to implement Substitute House Bill No. 2543 (911 advisory committee). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(7) \$2,500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for funding to continue and expand the 211 emergency services network.

**Sec. 150.** 2005 c 518 s 152 (uncodified) is amended to read as follows:

**PUBLIC EMPLOYMENT RELATIONS COMMISSION**

**FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

General Fund--State Appropriation (FY 2006)	\$2,776,000
General Fund--State Appropriation (FY 2007)	(( <del>\$2,824,000</del> ))
	<u>\$2,897,000</u>
Department of Personnel Service Account--State Appropriation	(( <del>\$2,945,000</del> ))
	<u>\$2,953,000</u>
<u>Pension Funding Stabilization Account Appropriation</u>	<u>\$16,000</u>
TOTAL APPROPRIATION	(( <del>\$8,545,000</del> ))
	<u>\$8,642,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$67,000 of the general fund--state appropriation in fiscal year 2007 is provided solely for costs pursuant to Engrossed Second Substitute House Bill No. 2353 (family child care providers). If the bill is not enacted by June 30, 2006, the amount provided for this purpose shall lapse.

**Sec. 151.** 2005 c 518 s 153 (uncodified) is amended to read as follows:

GROWTH MANAGEMENT HEARINGS BOARD

**FOR THE GROWTH ((PLANNING)) MANAGEMENT HEARINGS BOARD**

General Fund--State Appropriation (FY 2006) .....	\$1,571,000
General Fund--State Appropriation (FY 2007) .....	<del>(\$1,587,000)</del>
	<u>\$1,590,000</u>
<u>Pension Funding Stabilization Account Appropriation</u> .....	\$8,000
TOTAL APPROPRIATION .....	<del>(\$3,158,000)</del>
	<u>\$3,169,000</u>

The appropriations in this section are subject to the following conditions and limitations: ~~(\$9,000 of the general fund--state appropriation for fiscal year 2006 and \$9,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Western Board to relocate. If the Western Board does not relocate by June 30, 2006, the amounts provided in this subsection shall lapse.)~~

**Sec. 152.** 2005 c 518 s 154 (uncodified) is amended to read as follows:

STATE CONVENTION AND TRADE CENTER

**FOR THE STATE CONVENTION AND TRADE CENTER**

State Convention and Trade Center Account--State Appropriation .....	\$30,512,000
State Convention and Trade Center Operating Account--State Appropriation .....	<del>(\$46,470,000)</del>
	<u>\$46,491,000</u>
TOTAL APPROPRIATION .....	<del>(\$76,982,000)</del>
	<u>\$77,003,000</u>

**Sec. 153.** 2005 c 518 s 155 (uncodified) is amended to read as follows:

DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

**FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

General Fund--State Appropriation (FY 2006) .....	<del>(\$550,000)</del>
	<u>\$745,000</u>
General Fund--State Appropriation (FY 2007) .....	<del>(\$549,000)</del>
	<u>\$728,000</u>
General Fund--Federal Appropriation .....	<del>(\$1,446,000)</del>
	<u>\$1,037,000</u>
General Fund--Private/Local Appropriation .....	\$14,000
<u>Pension Funding Stabilization Account Appropriation</u> .....	\$3,000
TOTAL APPROPRIATION .....	<del>(\$2,559,000)</del>
	<u>\$2,527,000</u>

**PART II  
HUMAN SERVICES**

**Sec. 201.** 2005 c 518 s 201 (uncodified) is amended to read as follows:

DEPARTMENT OF SOCIAL AND HEALTH SERVICES

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES.**

(1) Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3)(a) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. However, after May 1, 2006, unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year 2006 among programs after approval by the director of financial management. However, the department shall not transfer state moneys that are provided solely for a specified purpose except as expressly provided in (b) of this subsection.

(b) To the extent that transfers under (a) of this subsection are insufficient to fund actual expenditures in excess of fiscal year 2006 caseload forecasts and utilization assumptions in the medical assistance, long-term care, foster care, adoption support, and child support programs, the department may transfer state moneys that are provided solely for a specified purpose, other than family support appropriations for the developmental disabilities program in section 205(1)(e) of this act, after approval by the director of financial management.

(c) The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(4) The department is authorized to expend up to \$13,500,000 of its general fund--state appropriation for fiscal year 2007 for any reductions in federal funding in fiscal year 2006 for targeted case management services for children who are in the care of the state. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications under this subsection.

(5) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage Medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP) the department may combine and transfer such Medicaid funds appropriated under sections 204, 206, 208, and 209 of this act as may be necessary to finance a unified health care plan for the WMIP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 6,000 persons during the 2005-2007 biennium. The amount of funding assigned to the pilot projects from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled in the pilot, times the number of clients enrolled in the pilot. In implementing the WMIP pilot projects, the department may:  
(a) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for individuals enrolled in the pilots; and (b) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and qualified to participate in both the medicaid and medicare programs. The department shall conduct an evaluation of the WMIP, measuring changes in participant health outcomes, changes in patterns of service utilization, participant satisfaction, participant access to services, and the state fiscal impact.

((+)) (6) In accordance with RCW 74.39A.300, the appropriations to the department of social and health services in this act are sufficient to implement the compensation and fringe benefits of the collective bargaining agreement reached between the governor and the exclusive bargaining representative of individual providers of home care services.

**Sec. 202.** 2005 c 518 s 202 (uncodified) is amended to read as follows:

DEPARTMENT OF SOCIAL AND HEALTH SERVICES – CHILDREN AND FAMILY SERVICES PROGRAM

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$251,005,000</del> ))
	<u>\$257,266,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$266,350,000</del> ))
	<u>\$287,764,000</u>
General Fund--Federal Appropriation .....	(( <del>\$421,401,000</del> ))
	<u>\$433,840,000</u>
General Fund--Private/Local Appropriation .....	\$400,000
<u>Domestic Violence Prevention Account--State Appropriation</u> .....	<u>\$1,345,000</u>
Public Safety and Education Account--State Appropriation .....	(( <del>\$10,754,000</del> ))
	<u>\$6,755,000</u>
Violence Reduction and Drug Enforcement Account--State Appropriation .....	(( <del>\$1,510,000</del> ))
	<u>\$5,510,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$699,000</u>
<b>TOTAL APPROPRIATION</b> .....	<b>((<del>\$951,420,000</del>))</b>
	<b><u>\$993,579,000</u></b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,271,000 of the general fund--state appropriation for fiscal year 2006, \$2,271,000 of the general fund--state appropriation for fiscal year 2007, and \$1,584,000 of the general fund--federal appropriation are provided solely for the category of services titled "intensive family preservation services."

(2) \$701,000 of the general fund--state appropriation for fiscal year 2006 and \$701,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the facility. The department shall not require case management as a condition of the contract.

(3) \$375,000 of the general fund--state appropriation for fiscal year 2006, \$375,000 of the general fund--state appropriation for fiscal year 2007, and \$322,000 of the general fund--federal appropriation are provided solely for up to three nonfacility-based programs for the training, consultation, support, and recruitment of biological, foster, and adoptive parents of children through age three in need of special care as a result of substance abuse by their mothers, except that each program may serve up to three medically fragile nonsubstance-abuse-affected children.

In selecting nonfacility-based programs, preference shall be given to programs whose federal or private funding sources have expired or that have successfully performed under the existing pediatric interim care program.

(4) \$125,000 of the general fund--state appropriation for fiscal year ~~((2004))~~ 2006 and \$125,000 of the general fund--state appropriation for fiscal year ~~((2005))~~ 2007 are provided solely for a foster parent retention program. This program is directed at foster parents caring for children who act out sexually.

(5) The providers for the 31 HOPE beds shall be paid a \$1,000 base payment per bed per month, and reimbursed for the remainder of the bed cost only when the beds are occupied.

(6) Within amounts provided for the foster care and adoption support programs, the department shall control reimbursement decisions for foster care and adoption support cases such that the aggregate average cost per case for foster care and for adoption support does not exceed the amounts assumed in the projected caseload expenditures. The department shall adjust adoption support benefits to account for the availability of the new federal adoption support tax credit for special needs children. The department shall report annually by October 1st to the appropriate committees of the legislature on the specific efforts taken to contain costs.

(7) ~~((3,837,000))~~ \$4,661,000 of the general fund--state appropriation for fiscal year 2006, ~~((6,352,000))~~ \$12,666,000 of the general fund--state appropriation for fiscal year 2007, and ~~((4,370,000))~~ \$7,443,000 of the general fund--federal appropriation are provided solely for reforms to the child protective services and child welfare services programs, including ~~((30-day))~~ improvement in achieving face-to-face contact for children ~~((in out-of-home care))~~ every 30 days, improved timeliness of child protective services investigations, ~~((an enhanced in-home child welfare services program,))~~ and education specialist services. The department shall report by December 1st of each year on the implementation status of the enhancements, including the hiring of new staff, and the outcomes of the reform efforts. The information provided shall include a progress report on items in the child and family services review program improvement plan and areas identified for improvement in the Braam lawsuit settlement.

(8) Within amounts appropriated in this section, priority shall be given to proven intervention models, including evidence-based prevention and early intervention programs identified by the Washington institute for public policy and the department. The department shall include information on the number, type, and outcomes of the evidence-based programs being implemented in its reports on child welfare reform efforts.

(9) \$227,000 of the general fund--state appropriation for fiscal year 2006 and \$228,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the state association of children's advocacy centers. Funds may be used for (a) children's advocacy centers that meet the national children's alliance accreditation standards for full membership, and are members in good standing; (b) communities in the process of establishing a center; and (c) the state association of children's advocacy centers. A 50 percent match will be required of each center receiving state funding.

(10) \$50,000 of the general fund--state appropriation for fiscal year 2006 and \$50,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a street youth program in Spokane.

(11) \$4,672,000 of the general fund--state appropriation for fiscal year 2006 and \$4,672,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for secure crisis residential centers.

(12) \$572,000 of the general fund--state appropriation for fiscal year 2006 ~~((-\$572,000))~~ and \$1,144,000 of the general fund--state appropriation for fiscal year 2007 ~~((and \$1,144,000 of the general fund--federal appropriation))~~ are provided solely for section 305 of Senate Bill No. 5763 (mental disorders treatment) for chemical dependency specialist services.

(13) \$3,500,000 of the general fund--state appropriation for fiscal year 2007 and \$1,500,000 of the general fund--federal appropriation are provided solely for Engrossed Senate Bill No. 5922 (child neglect). If the bill is not enacted by June 30, 2005, these amounts shall lapse.

(14) \$1,345,000 of the domestic violence prevention account appropriation is provided solely for the implementation of chapter 374, Laws of 2005.

(15) \$50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the supervised visitation and safe exchange center in Kent. The department shall not retain any portion for administrative purposes.

(16) \$450,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Second Substitute House Bill No. 2002 (foster care support services). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(17) \$521,000 of the general fund--state appropriation for fiscal year 2007 and \$223,000 of the general fund--federal appropriation are provided solely to implement Second Substitute House Bill No. 3115 (foster care critical support). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(18) The department shall evaluate integrating a family assessment component into its practice model for working with lower risk families involved with child protective services. The department shall report its findings to the joint task force on child safety for children in child protective services or child welfare services by July 1, 2007.

(19) \$312,000 of the general fund--state appropriation for fiscal year 2007 and \$11,000 of the general fund--federal appropriation are provided solely for a trauma mitigation pilot program for children who have been found to be dependent pursuant to chapter 13.34 RCW.

(a) The pilot program shall be implemented through a contract with the safe harbor crisis nursery located in Kennewick, Washington.

(b) The pilot program shall:

(i) Implement a regional trauma mitigation early intervention program using evidence-based practice, including trauma-focused cognitive behavioral therapy, to reduce the effects on dependent children of exposure to trauma; and

(ii) Identify and strengthen local resources for developmentally appropriate services for dependent children who have experienced trauma and their families.

(c) The pilot program's service components shall include receiving care, child care, periodic interventions, and periodic follow-up assessments.

(d) The pilot program shall provide for the dissemination of information and training for professionals, parents, foster parents, and caregivers regarding the long-term impacts of exposure to trauma and evidence-based practices, strategies, and resources for mitigating the impact of exposure to trauma.

(e) The department shall report to the appropriate policy committees of the legislature regarding impact and outcomes of the pilot program by June 30, 2007.

(20) \$3,600,000 of the general fund--state appropriation for fiscal year 2006, \$3,600,000 of the general fund--state appropriation for fiscal year 2007, and \$7,400,000 of the general fund--federal appropriation are provided solely for the medicaid treatment child care (MTCC) program. The department shall contract for MTCC services. In addition to referrals made by children's administration case workers, the department shall authorize children referred to the MTCC program by local public health nurses and case workers from the temporary assistance for needy families (TANF) program, as long as the children meet the eligibility requirements as outlined in the Washington state plan for the MTCC program. Starting in June 2006, the department shall report quarterly to the appropriate policy committees of the legislature on the MTCC program and include monthly statewide and regional information on: (a) The number of referrals; (b) the number of authorized referrals and child enrollments; and (c) program expenditure levels.

(21) The department shall contract with the county public health department in region 4 for a position to coordinate referrals made to the medicaid treatment child care (MTCC) program. In implementing this provision, the department shall work with the county public health department to develop a memorandum of agreement that includes protocols for accessing the department's child welfare information system for purposes of identifying and referring eligible children to the MTCC program. The pilot program shall be implemented by July 1, 2006.

**Sec. 203.** 2005 c 518 s 203 (uncodified) is amended to read as follows:

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES -- JUVENILE REHABILITATION PROGRAM**

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE REHABILITATION PROGRAM**

General Fund--State Appropriation (FY 2006)	(( <del>\$78,552,000</del> ))
	\$78,963,000
General Fund--State Appropriation (FY 2007)	(( <del>\$81,760,000</del> ))
	\$80,340,000
General Fund--Federal Appropriation	(( <del>\$5,998,000</del> ))
	\$5,668,000
General Fund--Private/Local Appropriation	\$1,098,000
Violence Reduction and Drug Enforcement Account--State Appropriation	\$38,385,000
Juvenile Accountability Incentive Account--Federal Appropriation	(( <del>\$5,621,000</del> ))
	\$5,516,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$449,000</u>
<b>TOTAL APPROPRIATION</b>	<b>((<del>\$211,414,000</del>))</b>
	<b>\$210,419,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$706,000 of the violence reduction and drug enforcement account appropriation is provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) \$6,156,000 of the violence reduction and drug enforcement account appropriation is provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(3) \$1,020,000 of the general fund--state appropriation for fiscal year 2006, \$1,030,000 of the general fund--state appropriation for fiscal year 2007, and \$5,345,000 of the violence reduction and drug enforcement account appropriation are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(4) \$2,997,000 of the violence reduction and drug enforcement account appropriation is provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(5) For the purposes of a pilot project, the juvenile rehabilitation administration shall provide a block grant, rather than categorical funding, for consolidated juvenile services, community juvenile accountability act grants, the chemically dependent disposition alternative, and the special sex offender disposition alternative to the Pierce county juvenile court. To evaluate the effect of decategorizing funding for youth services, the juvenile court shall do the following:

(a) Develop intermediate client outcomes according to the risk assessment tool (RAT) currently used by juvenile courts and in coordination with the juvenile rehabilitation administration;

(b) Track the number of youth participating in each type of service, intermediate outcomes, and the incidence of recidivism within twenty-four months of completion of services;

(c) Track similar data as in (b) of this subsection with an appropriate comparison group, selected in coordination with the juvenile rehabilitation administration and the family policy council;

(d) Document the process for managing block grant funds on a quarterly basis, and provide this report to the juvenile rehabilitation administration and the family policy council; and

(e) Provide a process evaluation to the juvenile rehabilitation administration and the family policy council by June 20, 2006, and a concluding report by June 30, 2007. The court shall develop this evaluation in consultation with the juvenile rehabilitation administration, the family policy council, and the Washington state institute for public policy.

(6) \$319,000 of the general fund--state appropriation for fiscal year 2006 and \$678,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to establish a reinvesting in youth pilot program. Participation shall be limited to three counties or groups of counties, including one charter county with a population of over eight hundred thousand residents and at least one county or group of counties with a combined population of three hundred thousand residents or less.

(a) Only the following intervention service models shall be funded under the pilot program: (i) Functional family therapy; (ii) multi-systemic therapy; and (iii) aggression replacement training.

(b) Subject to (c) of this subsection, payments to counties in the pilot program shall be sixty-nine percent of the average service model cost per youth times the number of youth engaged by the selected service model. For the purposes of calculating the average service model cost per engaged youth for a county, the following costs will be included: Staff salaries, staff benefits, training, fees, quality assurance, and local expenditures on administration.

(c) Distribution of moneys to the charter county with a population of over eight hundred thousand residents shall be based upon the number of youth that are engaged by the intervention service models, up to six hundred thousand dollars for the biennium. The department may distribute the remaining grant moneys to the other counties selected to participate in the pilot program.

(d) The department shall provide recommendations to the legislature by June 30, 2006, regarding a cost savings calculation methodology, a funds distribution formula, and criteria for service model eligibility for use if the reinvesting in youth program is continued in future biennia.

~~((c) \$248,000 of the general fund--state appropriation for fiscal year 2006 and \$496,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to reimburse counties for local juvenile disposition alternatives implemented pursuant to House Bill No. 2073 (juvenile sentencing) and Senate Bill No. 5719 (community commitment). The juvenile rehabilitation administration, in consultation with the juvenile court administrators, shall develop an equitable distribution formula for the funding provided in this subsection, and negotiate contracts that would avoid the cost of a youth kept in the community costing more than serving the youth in a juvenile rehabilitation institution and parole program on an average daily population basis. The juvenile rehabilitation administration may adjust the funding level provided in this subsection in the event that utilization rates of the disposition alternatives are lower than the level anticipated by the total appropriation to the juvenile rehabilitation administration in this section. The juvenile rehabilitation administration shall report to the appropriate policy and fiscal committees of the legislature on the use of the disposition alternatives and revocations by December 1, 2006. If either bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.))~~

**Sec. 204.** 2005 c 518 s 204 (uncodified) is amended to read as follows:

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH PROGRAM  
FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH PROGRAM**

**(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS**

General Fund--State Appropriation (FY 2006) .....	(((\$261,430,000)) \$260,292,000
General Fund--State Appropriation (FY 2007) .....	(((\$269,285,000)) \$278,337,000
General Fund--Federal Appropriation .....	(((\$336,771,000)) \$344,008,000
General Fund--Private/Local Appropriation .....	\$1,970,000
<b>TOTAL APPROPRIATION .....</b>	<b>(((\$869,456,000)) \$884,607,000</b>

The appropriations in this subsection are subject to the following conditions and limitations:

~~((b))~~ (a) \$103,400,000 of the general fund--state appropriation for fiscal year 2006 ~~((and \$103,400,000 of the general fund--state appropriation for fiscal year 2007 are))~~ is provided solely for persons and services not covered by the medicaid program. The department shall distribute ~~((these amounts))~~ this amount among the regional support networks according to a formula that, consistent with RCW 71.24.035(13), assures continuation of fiscal year 2003 levels of nonmedicaid service in each regional support network area for the following service categories in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance. The formula shall also ensure that each regional support network's combined state and federal allocation is no less than the amount it was due under the fiscal year 2005 allocation methodology. The remaining amounts shall be distributed based upon a formula that incorporates each regional support network's percentage of the state's population. ~~((In consultation with regional support networks and other interested groups, the department shall report to the joint legislative and executive task force by September 2006 on options for modifying the allocation formula to assure equitable statewide access to essential nonmedicaid services.~~

~~((c))~~ (b) \$103,777,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for persons and services not covered by the medicaid program. Consistent with RCW 71.24.035(13), these funds shall be distributed proportional to each regional support network's percentage of the total state population.

(c) \$10,561,000 of the general fund--state appropriation for fiscal year 2007 and \$10,561,000 of the general fund--federal appropriation are provided solely to increase medicaid capitation rates (i) by three percent, for regional support networks whose fiscal year 2006 capitation rates are above the statewide population-weighted average; and (ii) to the statewide population-weighted average, for regional support networks whose fiscal year 2006 capitation rates are below that level.

(d) \$359,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to ensure that no regional support network's combined state and federal allocation is less than the amount it was due under the fiscal year 2006 allocation methodology.

(e) From the general fund--state appropriations in this subsection, the secretary of social and health services shall assure that regional support networks reimburse the aging and disability services administration for the general fund--state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

~~((f))~~ (f) Within amounts appropriated in this subsection, the department shall contract with the Clark county regional support network for development and operation of a project demonstrating collaborative methods for providing intensive mental health services in the school setting for severely emotionally disturbed children who are medicaid eligible. Project services shall be delivered by teachers and teaching assistants who qualify as, or who are under the supervision of, mental health professionals meeting the requirements of chapter 275-57 WAC. The department shall increase medicaid payments to the regional support network by the amount necessary to cover the necessary and allowable costs of the demonstration, not to exceed the upper payment limit specified for the regional support network in the department's medicaid waiver agreement with the federal government after meeting all other medicaid spending requirements assumed in this subsection. The regional support network shall provide the required nonfederal share of the increased medicaid payment provided for operation of this project.

~~((g))~~ (g) \$3,100,000 of the general fund--state appropriation for fiscal year 2006 and \$3,375,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to establish a base community psychiatric hospitalization payment rate. The base payment rate shall be \$400 per indigent patient day at hospitals that accept commitments under the involuntary treatment act, and \$550 per medicaid patient day at free-standing psychiatric hospitals that accept commitments under the involuntary treatment act. The department shall allocate these funds among the regional support networks to reflect projected expenditures at the enhanced payment level by hospital and region.

~~((h))~~ (h) At least \$902,000 of the federal block grant funding appropriated in this subsection shall be used for the continued operation of the mentally ill offender pilot program.

~~((i))~~ (i) \$2,146,000 of the general fund--state appropriation for fiscal year 2006, \$4,408,000 of the general fund--state appropriation for fiscal year 2007, and \$4,559,000 of the general fund--federal appropriation are provided solely for a vendor rate increase to regional support networks for medicaid and nonmedicaid services, to the extent that: Amounts provided in this subsection (1) to serve medicaid clients through regional support networks are sufficient to ensure compliance with federally approved actuarially sound medicaid rate ranges in every rate category. If such amounts are not sufficient to ensure compliance, funds provided in this subsection (1)(g) shall first be applied to address any noncompliant rate category; remaining amounts shall be allocated among the regional support networks by applying a uniform percentage of increase across regional support networks.

~~((j))~~ (j) \$5,000,000 of the general fund--state appropriation for fiscal year 2006 and \$5,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon mentally ill offenders' release from confinement. These amounts shall supplement, and not supplant, local or other funding or in-kind resources currently being used for these purposes. The department is authorized to transfer such amounts as are necessary, which are not to exceed \$418,000 of the general fund--state appropriation for fiscal year 2006 and \$418,000 of the general fund--state appropriation for fiscal year 2007, to the economic services program for the purposes of implementing section 12 of Engrossed Second Substitute House Bill No. 1290 (community mental health) related to reinstating and facilitating access to mental health services upon mentally ill offenders' release from confinement.

~~((k))~~ (k) \$1,500,000 of the general fund--state appropriation for fiscal year 2006 and \$1,500,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for grants for innovative mental health service delivery projects. Such projects may include, but are not limited to, clubhouse programs and projects for integrated health care and behavioral health services for general assistance recipients. These amounts shall supplement, and not supplant, local or other funding currently being used for activities funded under the projects authorized in this subsection.

~~((l))~~ (l) The department is authorized to continue to expend federal block grant funds, and special purpose federal grants, through direct contracts, rather than through contracts with regional support networks; and to distribute such funds through a formula other than the one established pursuant to RCW 71.24.035(13).

~~((m))~~ (m) The department is authorized to continue to contract directly, rather than through contracts with regional support networks, for children's long-term inpatient facility services.

~~((n))~~ (n) \$2,250,000 of the general fund--state appropriation for fiscal year 2006, \$2,250,000 of the general fund--state appropriation for fiscal year 2007, and \$4,500,000 of the general fund--federal appropriation are provided solely for the continued operation of community residential and support services for persons who are older adults or who have co-occurring medical and behavioral disorders and who have been discharged or diverted from a state psychiatric hospital. These funds shall be used to serve individuals whose treatment needs constitute substantial barriers to community placement, who no longer require active psychiatric treatment at an inpatient hospital level of care, and who no longer meet the criteria for inpatient involuntary commitment. Coordination of these services will be done in partnership between the mental health program and the aging and disability services administration. The funds are not subject to the standard allocation formula applied in accordance with RCW 71.24.035(13)(a).

~~((o))~~ (o) \$750,000 of the general fund--state appropriation for fiscal year 2006 and \$750,000 of the general fund--state appropriation for fiscal year 2007 are provided to continue performance-based incentive contracts to provide appropriate community support services for individuals with severe mental illness who have been discharged from the state hospitals. These funds will be used to enhance community residential and support services provided by regional support networks through other state and federal funding.

~~((p))~~ (p) \$539,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to assist with the one-time start-up costs of two evaluation and treatment facilities. Funding for ongoing program operations shall be from existing funds that would otherwise be expended upon short-term treatment in state or community hospitals.

~~((q))~~ (q) \$550,000 of the general fund--state appropriation for fiscal year 2006 and \$150,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for ~~(a pilot project that provides integrated care through a facility specializing in long-term~~

rehabilitation services for people with chronic mental illness who are chronically medically-compromised. This project is to be implemented in coordination with and under the auspices of a regional support network)) enhancing rates to a facility that (i) is a licensed nursing home; (ii) is considered to be an "Institution for Mental Diseases" under centers for medicare and medicaid services criteria; (iii) specializes in long-term rehabilitation services for people with chronic mental illness who are chronically medically-compromised; and (iv) provides services to a minimum of 48 consumers funded by a regional support network. These amounts shall be provided in coordination with and under the auspices of a regional support network and shall enhance, and not supplant, other funding or in-kind resources currently being used for these purposes. These funds shall be used to cover costs incurred throughout fiscal year 2006 and fiscal year 2007 and ensure adequate compensation for extra medical care services, personal care services, and other incidental costs that are not fully covered in the current rate paid to the facility.  
(q) \$900,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the mental health division, in collaboration with the children's administration and the juvenile rehabilitation services administration, to establish a two-site pilot program to provide evidence-based mental health services to children. The mental health service or services to be provided under the pilot program must be selected from a list of evidence-based service options developed by the department, in consultation with a broadly representative group of individuals with expertise in children's mental health.

(i) Program sites shall be selected through a request for proposal (RFP) process, open to counties or groups of counties, and shall be operational by December 2006.

(ii) Pilot site proposals shall be required to include: A designated lead agency and a commitment to work with community partners, including consumer/family representatives and representatives of the local mental health, juvenile justice, and child welfare systems and, at the applicant's discretion, may also include representatives of other child-serving systems such as health care and education; identification of areas of potential need based upon input from community partners; identification of the service or services that the pilot site would implement based upon community needs and resources; and demonstration of a commitment to participate in efforts that will ensure adherence to the chosen evidence-based practices and evaluate outcomes of implementation of the evidence-based practices.

(iii) The department shall contract with the University of Washington school of medicine's department of psychiatry and behavioral sciences division of public behavioral health and justice to provide support and assistance in all phases of the pilot program, including initiating, implementing, training providers, providing quality assurance, and monitoring implementation and outcomes.

(r) Amounts provided in this subsection are sufficient to implement Second Substitute House Bill No. 2912 (mental health professionals).

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2006)	.....	(\$104,749,000)
		\$113,752,000
General Fund--State Appropriation (FY 2007)	.....	(\$110,534,000)
		\$125,276,000
General Fund--Federal Appropriation	.....	(\$150,115,000)
		\$143,693,000
General Fund--Private/Local Appropriation	.....	(\$29,632,000)
		\$29,767,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	.....	\$965,000
TOTAL APPROPRIATION	.....	(\$395,030,000)
		\$413,453,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The state mental hospitals may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(b) \$3,725,000 of the general fund--state appropriation for fiscal year 2006 and \$3,675,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to operate at least one more forensic ward at western state hospital than was operational in December 2004, and to employ professional staff in addition to those assigned in December 2004 to conduct outpatient evaluations of competency to stand trial.

(c) \$45,000 of the general fund--state appropriation for fiscal year 2006 and \$45,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for payment to the city of Lakewood on September 1 of each year for police services provided by the city at western state hospital and adjacent areas.

(3) CIVIL COMMITMENT

General Fund--State Appropriation (FY 2006)	.....	(\$43,322,000)
		\$40,499,000
General Fund--State Appropriation (FY 2007)	.....	(\$46,551,000)
		\$45,276,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	.....	\$129,000
TOTAL APPROPRIATION	.....	(\$89,873,000)
		\$85,904,000

(4) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2006)	.....	\$643,000
General Fund--State Appropriation (FY 2007)	.....	(\$994,000)
		\$20,994,000

General Fund--Federal Appropriation .....	\$3,209,000
Pension Funding Stabilization Account--State Appropriation .....	\$1,000
<b>TOTAL APPROPRIATION .....</b>	<b><u>(\$4,846,000)</u></b>
	<b><u>\$24,847,000</u></b>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$75,000 of the general fund--state appropriation for fiscal year 2006, \$75,000 of the general fund--state appropriation for fiscal year 2007, and \$40,000 of the general fund--federal appropriation are provided solely to implement the request for proposal process required by House Bill No. 1290 (community mental health). If House Bill No. 1290 is not enacted by June 30, 2005, these amounts shall lapse.

(b) \$178,000 of the general fund--state appropriation for fiscal year 2006 and \$221,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to develop and to train community mental health staff in the use of the integrated chemical dependency/mental health screening and assessment system and tool required by section 601 of Senate Bill No. 5763 (mental disorders treatment). If section 601 of Senate Bill No. 5763 is not enacted by June 30, 2005, these amounts shall lapse.

(c) \$20,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of a comprehensive strategy for transforming the delivery of public mental health services for people with severe and persistent mental illness. The strategy shall clearly define state hospital and regional support network (RSN) responsibilities with regard to people who require short and long-term care; emphasize the use of evidence-based practices; fund the phased-in development and ongoing support of community-based alternatives to state psychiatric hospitalization; provide for temporary increases in state hospital capacity only to the extent needed during community service development; link the receipt of community funding to achievement of negotiated performance objectives, and to not pursuing claims for alleged damages from past practices; hold RSN's accountable for managing state hospital admissions and discharges within bed allocation targets established by the department in contract; and hold the state hospitals accountable for admitting people who need acute care on a timely basis, and for effectively supporting these individuals' recovery and return to the community. The legal framework and accountability mechanisms within which the initiative will operate shall be further defined in policy legislation that will be enacted prior to the end of the 2006 legislative session. Key components of the strategy will be specified and funded in further detail in the enacted 2006 supplemental budget.

(5) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2006) .....	<del>(\$3,620,000)</del>
	\$6,577,000
General Fund--State Appropriation (FY 2007) .....	<del>(\$3,550,000)</del>
	\$3,938,000
General Fund--Federal Appropriation .....	<del>(\$6,671,000)</del>
	\$5,825,000
Pension Funding Stabilization Account--State Appropriation .....	\$19,000
<b>TOTAL APPROPRIATION .....</b>	<b><del>(\$13,841,000)</del></b>
	<b>\$16,359,000</b>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$125,000 of the general fund--state appropriation for fiscal year 2006, \$125,000 of the general fund--state appropriation for fiscal year 2007, and \$164,000 of the general fund--federal appropriation are provided solely for the institute for public policy to continue the longitudinal analysis directed in chapter 334, Laws of 2001 (mental health performance audit), and, to the extent funds are available within these amounts, to build upon the evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill offenders).

(b) \$2,032,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the purposes of complying with and satisfaction of a final court order and judgment in *Pierce County, et al v. State of Washington and State of Washington Department of Social and Health Services, et al*, Thurston County Superior Court Cause No. 03-2-00918-8.

(c) \$520,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the purposes of settling all claims in *County of Spokane, a Washington municipal entity v. State of Washington Department of Social and Health Services and Dennis Braddock, the Secretary of the Department of Social and Health Services, in his official capacity*, Thurston County Superior Court Cause No. 03-2-01268-5. The expenditure of this amount is contingent on the release of all claims in the case, and total settlement costs shall not exceed the amount provided in this subsection. If the settlement is not executed by June 30, 2006, the amount provided in this subsection shall lapse.

**Sec. 205.** 2005 c 518 s 205 (uncodified) is amended to read as follows:

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM  
FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM**

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2006) .....	<del>(\$299,027,000)</del>
	\$296,430,000
General Fund--State Appropriation (FY 2007) .....	<del>(\$311,869,000)</del>
	\$311,417,000
General Fund--Federal Appropriation .....	<del>(\$505,414,000)</del>
	\$502,053,000
Health Services Account--State Appropriation .....	\$904,000

<u>Pension Funding Stabilization Account--State Appropriation</u> . . . . .	\$138,000
TOTAL APPROPRIATION . . . . .	(((\$1,117,214,000)) \$1,110,942,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The entire health services account appropriation, ((~~\$213,000~~) \$151,000) of the general fund--state appropriation for fiscal year 2006, ((~~\$400,000~~) \$427,000) of the general fund--state appropriation for fiscal year 2007, and ((~~\$600,000~~) \$1,482,000) of the general fund--federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The ((~~per worker per month~~) state contribution ((~~per agency~~)) to the cost of health care benefits per participating worker per month shall be no greater than ((~~\$380.06~~) \$449.00) in fiscal year 2006 and ((~~\$413.14~~) \$532.00) in fiscal year 2007.

(b) Individuals receiving family support or high school transition payments as supplemental security income (SSI) state supplemental payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(c) \$516,000 of the general fund--state appropriation for fiscal year 2006, ((~~\$1,563,000~~) \$1,917,000) of the general fund--state appropriation for fiscal year 2007, and ((~~\$2,078,000~~) \$2,433,000) of the general fund--federal appropriation are provided solely for community residential and support services. Funding in this subsection shall be prioritized for (i) residents of residential habilitation centers who are able to be adequately cared for in community settings and who choose to live in those community settings; (ii) clients without residential services who are at immediate risk of institutionalization or in crisis; (iii) children who are aging out of other state services; and (iv) current home and community-based waiver program clients who have been assessed as having an immediate need for increased services. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$300. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds provided the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(d) \$579,000 of the general fund--state appropriation for fiscal year 2006, ((~~\$1,531,000~~) \$1,735,000) of the general fund--state appropriation for fiscal year 2007, and ((~~\$2,110,000~~) \$2,315,000) of the general fund--federal appropriation are provided solely for expanded community services for persons with developmental disabilities who also have community protection issues. Funding in this subsection shall be prioritized for (i) clients being diverted or discharged from the state psychiatric hospitals; (ii) clients participating in the dangerous mentally ill offender program; (iii) clients participating in the community protection program; and (iv) mental health crisis diversion outplacements. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$300. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds if the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall implement the four new waiver programs such that decisions about enrollment levels and the amount, duration, and scope of services maintain expenditures within appropriations. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(e) \$12,902,000 of the general fund--state appropriation for fiscal year 2006, \$13,802,000 of the general fund--state appropriation for fiscal year 2007, and \$8,579,000 of the general fund--federal appropriation are provided solely for family support programs for individuals with developmental disabilities.

Of the amounts provided in this subsection (e), \$900,000 of the general fund--state appropriation for fiscal year 2006 and \$1,600,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of a flexible family support pilot program for families who are providing care and support for family members with developmental disabilities. The program shall provide funding for support services such as respite care, training and counseling, assistive technologies, transition services, and assistance with extraordinary household expenses.

(i) To receive funding, an individual must: (A) Be eligible for services from the division of developmental disabilities; (B) live with his or her family; (C) not live independently or with a spouse; (D) not receive paid services through the division, including medicaid personal care and medicaid waiver services; and (E) have gross household income of less than or equal to four hundred percent of the federal poverty level.

(ii) The department shall determine individual funding awards based on the following criteria: (A) Documented need for services, with priority given to individuals in crisis or at immediate risk of needing institutional services, individuals who transition from high school without employment or day program opportunities, individuals cared for by a single parent, and individuals with multiple disabilities; (B) number and ages of family members and their relation to the individual with developmental disabilities; (C) gross annual household income; and (D) availability of state funds.

Funding awards may be made as one-time awards or on a renewable basis. Renewable awards shall be for a period of twelve months for the biennium. Awards shall be based upon the criteria provided in this subsection, but shall be within the following limits: Maximum of \$4,000 per year for an individual whose gross annual household income is up to 100 percent of the federal poverty level; maximum of \$3,000 per year for an individual whose gross annual household income is up to 200 percent of the federal poverty level; maximum of \$2,000 per year for an individual whose gross annual household income is up to 300 percent of the federal poverty level; and maximum of \$1,000 per year for an individual whose gross annual household income is up to 400 percent of the federal poverty level. Of the amounts provided in this subsection, \$150,000 of the general fund--state appropriation for fiscal year 2006 and \$300,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for one-time awards.

(iii) Eligibility for, and the amount of, renewable awards and one-time awards shall be redetermined annually and shall correspond with the application of the department's mini-assessment tool. At the end of each award period, the department must redetermine eligibility for funding, including increases or reductions in the level of funding, as appropriate.

(iv) By November 1, 2006, the department shall provide recommendations to the appropriate policy and fiscal committees of the legislature on strategies for integrating state-funded family support programs, including, if appropriate, the flexible family support pilot program, into a single program. The department shall also provide a status report on the flexible family support pilot program, which shall include the following information: The number of applicants for funding; the total number of awards; the number and amount of both annual and one-time awards, broken down by household income levels; and the purpose of the awards.

(v) The department shall manage enrollment and award levels so as to not exceed the amounts appropriated for this purpose.

(f) \$840,000 of the general fund--state appropriation for fiscal year 2006, (~~(\$1,979,000)~~) \$3,060,000 of the general fund--state appropriation for fiscal year 2007, and (~~(\$1,219,000)~~) \$1,500,000 of the general fund--federal appropriation are provided solely for employment and day services. Priority consideration for this new funding shall be young adults with developmental disabilities living with their family who need employment opportunities and assistance after high school graduation. Services shall be provided for both waiver and nonwaiver clients.

(g) \$1,000,000 of the general fund--state appropriation for fiscal year 2006, \$1,000,000 of the general fund--state appropriation for fiscal year 2007, and \$2,000,000 of the general fund--federal appropriation are provided for implementation of the administrative rate standardization. These amounts are in addition to any vendor rate increase adopted by the legislature.

(h) \$100,000 of the general fund--state appropriation for fiscal year 2006 (~~(\$100,000)~~) and \$100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for services to community clients provided by licensed professionals at the state residential habilitation centers. The division shall submit claims for reimbursement for services provided to clients living in the community with medical assistance or third-party health coverage, as appropriate, and shall implement a system for billing clients without coverage. The department shall provide a report by December 1, 2006, to the appropriate committees of the legislature on the number of clients served, services provided, and expenditures and revenues associated with those services.

(i) \$65,000 of the general fund--state appropriation for fiscal year 2006 (~~(\$65,000 of the general fund--state appropriation for fiscal year 2007)~~) and (~~(\$130,000)~~) \$65,000 of the general fund--federal appropriation are provided solely for supplemental compensation increases for direct care workers employed by home care agencies in recognition of higher labor market cost pressures experienced by agencies subject to collective bargaining obligations. In order for a specific home care agency to be eligible for such increases, home care agencies shall submit the following to the department:

(i) Proof of a legally binding, written commitment to increase the compensation of agency home care workers; and

(ii) Proof of the existence of a method of enforcement of the commitment, such as arbitration, that is available to the employees or their representative, and proof that such a method is expeditious, uses a neutral decision maker, and is economical for the employees.

(j) \$12,000 of the general fund--state appropriation for fiscal year 2007 and \$12,000 of the general fund--federal appropriation are provided solely to increase boarding home provider payment rates by 1.0 percent, effective July 1, 2006.

(k) \$134,000 of the general fund--state appropriation for fiscal year 2007 and \$134,000 of the general fund--federal appropriation are provided solely to increase adult family home provider payment rates by 1.0 percent, effective July 1, 2006.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2006) .....	<del>(\$76,062,000)</del>
	<u>\$76,623,000</u>
General Fund--State Appropriation (FY 2007) .....	<del>(\$78,545,000)</del>
	<u>\$78,815,000</u>
General Fund--Federal Appropriation .....	<del>(\$152,479,000)</del>
	<u>\$153,797,000</u>
General Fund--Private/Local Appropriation .....	<del>(\$12,000,000)</del>
	<u>\$11,236,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$457,000</u>
<b>TOTAL APPROPRIATION</b> .....	<del>(\$319,086,000)</del>
	<u>\$320,928,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: The developmental disabilities program is authorized to use funds appropriated in this section to purchase goods and supplies through direct contracting with vendors when the program determines it is cost-effective to do so.

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2006) .....	<del>(\$2,457,000)</del>
	<u>\$2,312,000</u>
General Fund--State Appropriation (FY 2007) .....	<del>(\$2,068,000)</del>
	<u>\$1,924,000</u>
General Fund--Federal Appropriation .....	<del>(\$3,034,000)</del>
	<u>\$3,014,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$17,000</u>
<b>TOTAL APPROPRIATION</b> .....	<del>(\$7,559,000)</del>
	<u>\$7,267,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: \$578,000 of the general fund--state appropriation for fiscal year 2006 and \$578,000 of the general fund--federal appropriation are provided solely for the purpose of developing and implementing a consistent needs assessment instrument for use on all clients with developmental disabilities. In developing the instrument, the department shall develop a process for collecting data on family income for minor children with developmental disabilities and all individuals who are receiving state-only funded services. The department shall ensure that this information is captured as part of the client assessment process.

(4) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2006)	\$11,000
General Fund--State Appropriation (FY 2007)	\$17,000
General Fund--Federal Appropriation	<del>(\$16,668,000)</del>
	<u>\$17,238,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$2,000</u>
TOTAL APPROPRIATION	<del>(\$16,696,000)</del>
	<u>\$17,268,000</u>

**Sec. 206.** 2005 c 518 s 206 (uncodified) is amended to read as follows:

DEPARTMENT OF SOCIAL AND HEALTH SERVICES-- AGING AND ADULT SERVICES PROGRAM

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT SERVICES PROGRAM**

General Fund--State Appropriation (FY 2006)	<del>(\$604,891,000)</del>
	<u>\$610,472,000</u>
General Fund--State Appropriation (FY 2007)	<del>(\$623,448,000)</del>
	<u>\$663,657,000</u>
General Fund--Federal Appropriation	<del>(\$1,264,939,000)</del>
	<u>\$1,312,239,000</u>
General Fund--Private/Local Appropriation	<del>(\$18,939,000)</del>
	<u>\$18,949,000</u>
Health Services Account--State Appropriation	\$4,888,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$317,000</u>
TOTAL APPROPRIATION	<del>(\$2,517,105,000)</del>
	<u>\$2,610,522,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire health services account appropriation, ~~(\$610,000)~~ \$6,911,000 of the general fund--state appropriation for fiscal year 2006, ~~(\$610,000)~~ \$11,571,000 of the general fund--state appropriation for fiscal year 2007, and ~~(\$5,552,000)~~ \$23,251,000 of the general fund--federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The ~~(per worker per month)~~ state contribution ~~(per agency)~~ to the cost of health care benefits per eligible participating worker per month shall be no greater than ~~(\$380.06)~~ \$449.00 in fiscal year 2006 and ~~(\$413.14)~~ \$532.00 per month in fiscal year 2007. The department, in consultation with the home care quality authority and the health care authority, shall examine how the state determines the appropriate level of health care costs when establishing state contribution rates for all agency and individual home care workers caring for state subsidized clients. The department shall recommend options as to how equivalent benefits can be purchased on behalf of home care workers in a more cost effective manner to the office of financial management and the appropriate fiscal committees of the legislature by October 1, 2006.

(2) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed ~~(\$149.14)~~ \$147.57 for fiscal year 2006 and shall not exceed ~~(\$153.50)~~ \$156.61 for fiscal year 2007.

(3) In accordance with chapter 74.46 RCW, the department shall issue certificates of capital authorization that result in up to \$16 million of increased asset value completed and ready for occupancy in fiscal year 2006; up to \$16 million of increased asset value completed and ready for occupancy in fiscal year 2007; and up to \$16 million of increased asset value completed and ready for occupancy in fiscal year 2008.

(4) Adult day health services shall not be considered a duplication of services for persons receiving care in long-term care settings licensed under chapter 18.20, 72.36, or 70.128 RCW.

(5) In accordance with chapter 74.39 RCW, the department may implement two medicaid waiver programs for persons who do not qualify for such services as categorically needy, subject to federal approval and the following conditions and limitations:

(a) One waiver program shall include coverage of care in community residential facilities. Enrollment in the waiver shall not exceed 600 persons at any time.

(b) The second waiver program shall include coverage of in-home care. Enrollment in this second waiver shall not exceed 200 persons at any time.

(c) The department shall identify the number of medically needy nursing home residents, and enrollment and expenditures on each of the two medically needy waivers, on monthly management reports.

(d) If it is necessary to establish a waiting list for either waiver because the budgeted number of enrollment opportunities has been reached, the department shall track how the long-term care needs of applicants assigned to the waiting list are met.

(6) ~~(\$1,413,000)~~ \$1,604,000 of the general fund--state appropriation for fiscal year 2006, ~~(\$2,887,000)~~ \$3,450,000 of the general fund--state appropriation for fiscal year 2007, and ~~(\$4,305,000)~~ \$5,064,000 of the general fund--federal appropriation are provided solely to increase

compensation for direct care workers employed by home care agencies by 27 cents per hour on July 1, 2005, and by an additional 23 cents per hour on July 1, 2006. The amounts in this subsection also include the funds needed for the employer share of unemployment and social security taxes on the amount of the increase.

(7) \$1,786,000 of the general fund--state appropriation for fiscal year 2006 and \$1,804,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for operation of the volunteer chore services program.

(8) The department shall establish waiting lists to the extent necessary to assure that annual expenditures on the community options program entry systems (COPEs) program do not exceed appropriated levels. In establishing and managing any such waiting list, the department shall assure priority access to persons with the greatest unmet needs, as determined by department assessment processes.

(9) \$93,000 of the general fund--state appropriation for fiscal year 2006, \$8,000 of the general fund--state appropriation for fiscal year 2007, and \$101,000 of the general fund--federal appropriation are provided solely to expand the number of boarding homes that receive exceptional care rates for persons with Alzheimer's disease and related dementias who might otherwise require nursing home care. The department may expand the number of licensed boarding home facilities that specialize in caring for such conditions by up to 85 beds in fiscal year 2006 and up to 150 beds in fiscal year 2007.

(10) \$305,000 of the general fund--state appropriation for fiscal year 2006 and \$377,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the senior farmer's market nutrition program.

~~((+2))~~ (11) \$109,000 of the general fund--state appropriation for fiscal year 2006, \$90,000 of the general fund--state appropriation for fiscal year 2007, and \$198,000 of the general fund--federal appropriation are provided solely for the implementation of Second Substitute House Bill No. 1220 (long-term care financing). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

~~((+3))~~ (12) \$100,000 of the general fund--state appropriation for fiscal year 2006 and \$100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for area agencies on aging, or entities with which area agencies on aging contract, to provide a kinship navigator for grandparents and other kinship caregivers of children in both western and eastern Washington.

(a) Kinship navigator services shall include but not be limited to assisting kinship caregivers with understanding and navigating the system of services for children in out-of-home care while reducing barriers faced by kinship caregivers when accessing services.

(b) In providing kinship navigator services, area agencies on aging shall give priority to helping kinship caregivers maintain their caregiving role by helping them access existing services and supports, thus keeping children from entering foster care.

~~((+4))~~ (13) \$435,000 of the general fund--state appropriation for fiscal year 2006 (~~(\$435,000 of the general fund--state appropriation for fiscal year 2007,)~~) and ~~((+870,000))~~ \$435,000 of the general fund--federal appropriation are provided solely for supplemental compensation increases for direct care workers employed by home care agencies in recognition of higher labor market cost pressures experienced by agencies subject to collective bargaining obligations. In order for a specific home care agency to be eligible for such increases, home care agencies shall submit the following to the department:

~~((+))~~ (a) Proof of a legally binding, written commitment to increase the compensation of agency home care workers; and

~~((+))~~ (b) Proof of the existence of a method of enforcement of the commitment, such as arbitration, that is available to the employees or their representative, and proof that such a method is expeditious, uses a neutral decision maker, and is economical for the employees.

(14) \$7,500,000 of the general fund--state appropriation for fiscal year 2007 and \$7,500,000 of the general fund--federal appropriation are provided solely for purposes of settling all claims in the class action suit commonly known as *Regency Pacific et al. v. Department of Social and Health Services*. The expenditure of this amount is contingent on the release of all claims in the case, and total settlement costs shall not exceed the amount provided in this subsection.

(15) \$390,000 of the general fund--state appropriation for fiscal year 2006, \$779,000 of the general fund--state appropriation for fiscal year 2007, and \$1,141,000 of the general fund--federal appropriation are provided solely to implement Engrossed Substitute House Bill No. 2925 (assisted living facility). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(16) \$121,000 of the general fund--state appropriation for fiscal year 2007 and \$120,000 of the general fund--federal appropriation are provided solely to implement Engrossed Substitute House Bill No. 2475 (individual providers). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(17) \$101,000 of the general fund--state appropriation for fiscal year 2007 and \$101,000 of the general fund--federal appropriation are provided solely to implement Second Substitute House Bill No. 2914 (residential service provider). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(18) \$3,955,000 of the general fund--state appropriation for fiscal year 2007 and \$3,941,000 of the general fund--federal appropriation are provided solely to implement Substitute House Bill No. 2333 (agency home care workers). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(19) \$183,000 of the general fund--state appropriation for fiscal year 2006 and \$184,000 of the general fund--federal appropriation are provided solely for payments to any assisted living facility licensed under chapter 18.20 RCW on January 25, 2002, which serves 20 or more clients participating in the program for all-inclusive care.

(20) \$10,000,000 of the general fund--state appropriation for fiscal year 2007 and \$10,000,000 of the general fund--federal appropriation are provided solely for the implementation of Substitute House Bill No. 2716 (nursing facility payment). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

(21) \$500,000 of the general fund--state appropriation for fiscal year 2006 and \$1,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for area agencies on aging, or entities with which area agencies on aging contract, to provide support services through the kinship caregiver support program for grandparents and other informal kinship caregivers of children throughout the state.

(22) \$732,000 of the general fund--state appropriation for fiscal year 2007 and \$715,000 of the general fund--federal appropriation are provided solely to increase boarding home provider payment rates by 1.0 percent, effective July 1, 2006.

(23) \$443,000 of the general fund--state appropriation for fiscal year 2007 and \$437,000 of the general fund--federal appropriation are provided solely to increase adult family home provider payment rates by 1.0 percent, effective July 1, 2006.

**Sec. 207.** 2005 c 518 s 207 (uncodified) is amended to read as follows:

DEPARTMENT OF SOCIAL AND HEALTH SERVICES-- ECONOMIC SERVICES PROGRAM  
**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES PROGRAM**

General Fund--State Appropriation (FY 2006)	(( <del>\$483,166,000</del> ))
	<u>\$486,529,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$501,081,000</del> ))
	<u>\$558,805,000</u>
General Fund--Federal Appropriation	(( <del>\$1,246,447,000</del> ))
	<u>\$1,245,673,000</u>
General Fund--Private/Local Appropriation	(( <del>\$31,466,000</del> ))
	<u>\$27,535,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$1,138,000</u>
<b>TOTAL APPROPRIATION</b>	<b>((<del>\$2,262,160,000</del>))</b>
	<b><u>\$2,319,680,000</u></b>

The appropriations in this section are subject to the following conditions and limitations:

(1) ((~~\$273,333,000~~)) \$275,749,000 of the general fund--state appropriation for fiscal year 2006, ((~~\$273,333,000~~)) \$334,121,000 of the general fund--state appropriation for fiscal year 2007, and ((~~\$1,020,292,000~~)) \$905,232,000 of the general fund--federal appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the department shall:

(a) Continue to implement WorkFirst program improvements that are designed to achieve progress against outcome measures specified in RCW 74.08A.410. Outcome data regarding job retention and wage progression shall be reported quarterly to appropriate fiscal and policy committees of the legislature for families who leave assistance, measured after 12 months, 24 months, and 36 months. The department shall also report the percentage of families who have returned to temporary assistance for needy families after 12 months, 24 months, and 36 months; and

(b) Submit a report by October 1, 2005, to the fiscal committees of the legislature containing a spending plan for the WorkFirst program. The plan shall identify how spending levels in the 2005-2007 biennium will be adjusted to stay within available federal grant levels and the appropriated state-fund levels.

(2) ((~~\$75,833,000~~)) \$72,526,000 of the general fund--state appropriation for fiscal year 2006 and ((~~\$74,358,000~~)) \$77,880,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for cash assistance and other services to recipients in the general assistance--unemployable program. Within these amounts:

(a) The department may expend funds for services that assist recipients to obtain employment and reduce their dependence on public assistance, provided that expenditures for these services and cash assistance do not exceed the funds provided. Mental health, substance abuse, and vocational rehabilitation services may be provided to recipients whose incapacity is not severe enough to qualify for services through a regional support network, the alcoholism and drug addiction treatment and support act, or the division of vocational rehabilitation to the extent that those services are necessary to eliminate or minimize barriers to employment;

(b) The department shall review the general assistance caseload to identify recipients that would benefit from assistance in becoming naturalized citizens, and thus be eligible to receive federal supplemental security income benefits. Those cases shall be given high priority for naturalization funding through the department;

(c) The department shall identify general assistance recipients who are or may be eligible to receive health care coverage or services through the federal veteran's administration and assist recipients in obtaining access to those benefits; and

(d) The department shall report by November of each year to the appropriate committees of the legislature on the progress and outcomes of these efforts.

(3) Within amounts appropriated in this section, the department shall increase the state supplemental payment by \$10 per month for SSI clients who reside in nursing facilities, residential habilitation centers, or state hospitals and who receive a personal needs allowance and decrease other state supplemental payments.

(4) \$5,000,000 of the general fund--state appropriation for fiscal year 2006 and \$10,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a subsidy rate increase for child care providers. Of this amount, \$500,000 per year shall be targeted for child care providers in urban areas of region 1 and \$500,000 per year shall be targeted for one or more tiered-reimbursement pilot projects.

(5) \$51,000 of the general fund--state appropriation for fiscal year 2006, \$84,000 of the general fund--state appropriation for fiscal year 2007, and \$261,000 of the general fund--federal appropriation are provided solely to implement Second Substitute House Bill No. 2462 (child support schedule). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

**Sec. 208.** 2005 c 518 s 208 (uncodified) is amended to read as follows:

DEPARTMENT OF SOCIAL AND HEALTH SERVICES-- ALCOHOL AND SUBSTANCE ABUSE PROGRAM  
**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

General Fund--State Appropriation (FY 2006)	(( <del>\$57,235,000</del> ))
	<u>\$55,036,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$66,956,000</del> ))
	<u>\$66,920,000</u>
General Fund--Federal Appropriation	(( <del>\$110,175,000</del> ))
	<u>\$136,750,000</u>
General Fund--Private/Local Appropriation	(( <del>\$633,000</del> ))

	<u>\$634,000</u>
Criminal Justice Treatment Account--State Appropriation	\$16,500,000
Violence Reduction and Drug Enforcement Account--State Appropriation	\$48,842,000
Problem Gambling ( <del>Treatment</del> ) Account--State Appropriation	<del>(\$1,500,000)</del>
	<u>\$1,350,000</u>
Public Safety and Education Account--State Appropriation	\$2,081,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$39,000</u>
TOTAL APPROPRIATION	<del>(\$303,922,000)</del> <u>\$328,152,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) ~~(\$1,500,000)~~ \$1,350,000 of the problem gambling (~~treatment~~) account appropriation is provided solely for the program established in Engrossed Substitute House Bill No. 1031 (problem gambling). If legislation creating the account is not enacted by June 30, 2005, this amount shall lapse.

(2) \$1,339,000 of the general fund--state appropriation for fiscal year 2006 and \$1,338,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the parent child assistance program, including an expansion of services to southwestern Washington. The department shall contract with the University of Washington and community-based providers in Spokane, Yakima, and southwestern Washington for the provision of this program. For all contractors, indirect charges for administering the program shall not exceed ten percent of the total contract amount. The amounts provided in this subsection are sufficient to fund section 303 of Senate Bill No. 5763 (mental disorders treatment).

(3) \$2,000,000 of the general fund--state appropriation for fiscal year 2006 and \$3,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for vendor rate adjustments for residential treatment providers for chemical dependency services.

(4) \$465,000 of the general fund--state appropriation for fiscal year 2006, \$934,000 of the general fund--state appropriation for fiscal year 2007, \$1,319,000 of the general fund--federal appropriation, and \$700,000 of the violence reduction and drug enforcement account appropriation are provided solely for vendor rate adjustments for residential treatment providers. To the extent that a portion of this funding is sufficient to maintain sufficient residential treatment capacity, remaining amounts may then be used to provide vendor rate adjustments to other types of providers as prioritized by the department in order to maintain or increase treatment capacity.

(5) \$1,916,000 of the general fund--state appropriation for fiscal year 2006 and \$4,278,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for integrated pilot programs as required by section 203 of Senate Bill No. 5763 (mental disorders treatment). If section 203 of Senate Bill No. 5763 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(6) \$244,000 of the general fund--state appropriation for fiscal year 2006 and \$244,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for intensive case management pilot programs as required by section 220 of Senate Bill No. 5763 (mental disorders treatment). If section 220 of Senate Bill No. 5763 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(7) \$159,000 of the general fund--state appropriation for fiscal year 2006, \$140,000 of the general fund--state appropriation for fiscal year 2007, and \$161,000 of the general fund--federal appropriation are provided solely for development of the integrated chemical dependency/mental health screening and assessment tool required by section 601 of Senate Bill No. 5763 (mental disorders treatment), and associated training and quality assurance. If section 601 of Senate Bill No. 5763 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(8) \$5,475,000 of the general fund--state appropriation for fiscal year 2006, \$13,124,000 of the general fund--state appropriation for fiscal year 2007, and \$10,669,000 of the general fund--federal appropriation are provided solely to increase capacity of chemical dependency treatment services for adult medicaid eligible and general assistance-unemployable clients. The department shall monitor the number and type of clients entering treatment, for purposes of determining potential cost offsets.

(9) \$1,967,000 of the general fund--state appropriation for fiscal year 2006, \$2,523,000 of the general fund--state appropriation for fiscal year 2007, and \$1,496,000 of the general fund--federal appropriation are provided solely to increase capacity of chemical dependency treatment services for minors who are under 200 percent of the federal poverty level. The department shall monitor the number and type of clients entering treatment, for purposes of determining potential cost offsets.

**Sec. 209.** 2005 c 518 s 209 (uncodified) is amended to read as follows:

DEPARTMENT OF SOCIAL AND HEALTH SERVICES-- MEDICAL ASSISTANCE PROGRAM

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE PROGRAM**

General Fund--State Appropriation (FY 2006)	<del>(\$1,481,212,000)</del>
	<u>\$1,461,557,000</u>
General Fund--State Appropriation (FY 2007)	<del>(\$1,596,101,000)</del>
	<u>\$1,546,435,000</u>
General Fund--Federal Appropriation	<del>(\$4,036,615,000)</del>
	<u>\$4,001,262,000</u>
General Fund--Private/Local Appropriation	\$2,000,000
Emergency Medical Services and Trauma Care Systems Trust Account--State Appropriation	\$15,000,000
Health Services Account--State Appropriation	<del>(\$636,942,000)</del>
	<u>\$677,288,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$123,000</u>
TOTAL APPROPRIATION	<del>(\$7,767,870,000)</del>

\$7,703,665,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) Based on quarterly expenditure reports and caseload forecasts, if the department estimates that expenditures for the medical assistance program will exceed the appropriations, the department shall take steps including but not limited to reduction of rates or elimination of optional services to reduce expenditures so that total program costs do not exceed the annual appropriation authority.
- (2) The department shall continue to extend medicaid eligibility to children through age 18 residing in households with incomes below 200 percent of the federal poverty level.
- (3) In determining financial eligibility for medicaid-funded services, the department is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.
- (4) Sufficient amounts are appropriated in this section for the department to continue podiatry services for medicaid-eligible adults.
- (5) Sufficient amounts are appropriated in this section for the department to provide an adult dental benefit that is equivalent to the benefit provided in the 2003-05 biennium.
- (6) In accordance with RCW 74.46.625, \$6,000,000 of the general fund--federal appropriation is provided solely for supplemental payments to nursing homes operated by public hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental to and shall not in any way offset or reduce the payments calculated and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments.
- (7) (~~(\$1,660,000)~~) \$2,221,000 of the health services account appropriation, (~~(\$4,361,000)~~) \$5,402,000 of the general fund--federal appropriation, (~~(\$1,350,000)~~) \$1,590,000 of the general fund--state appropriation for fiscal year 2006, and (~~(\$1,351,000)~~) \$1,591,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for grants to rural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.
- (8) (~~(\$22,081,000)~~) \$21,092,000 of the health services account appropriation and (~~(\$20,714,000)~~) \$19,725,000 of the general fund--federal appropriation are provided solely for grants to nonrural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.
- (9) In response to the federal directive to eliminate intergovernmental transfer transactions effective June 30, 2005, the department is directed to implement the inpatient hospital certified public expenditures program for the 2005-07 biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. Hospitals in the program shall be paid and shall retain (a) one hundred percent of the federal portion of each medicaid inpatient fee-for-service claim payable by the medical assistance administration; and (b) one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Medicaid fee-for-service claim amounts shall be established by applying the department's ratio of costs to charges payment methodology. The department shall provide participating hospitals with the information and instructions needed by the hospital to certify the public expenditures required to qualify for the federal portions of both the medicaid inpatient fee-for-service payments and the disproportionate share hospital payments. In the event that any part of the program including, but not limited to, allowable certified public expenditures, is disallowed by the federal government, the department shall not seek recoupment of payments from the hospitals, provided the hospitals have complied with the directions of the department for participation in the program. The legislature intends that hospitals in the program receive no less in combined state and federal payments than they would have received under the methodology that was in place during fiscal year 2005. The department shall therefore make additional grant payments, not to exceed the amounts (~~(provided)~~) specified in this subsection, to hospitals whose total payments under the program would otherwise be less than the total state and federal payments they would have received under the methodology in effect during fiscal year 2005. (~~(\$37,034,000 of the general fund--state appropriation for fiscal year 2006, \$37,552,000 of the general fund--state appropriation for fiscal year 2007, \$8,300,000 of the emergency medical services and trauma care systems trust account--state appropriation, and \$45,450,000 of the general fund--federal appropriation are provided solely for new state grant and upper payment limit programs for the participating hospitals--)~~) Payments under these new state grant and upper payment limit programs shall not exceed \$53,159,000 from general fund--state appropriations in fiscal year 2006, of which \$5,600,000 is appropriated in section 204(1) of this 2006 act and the balance in this section; \$46,548,000 from general fund--state appropriations in fiscal year 2007, of which \$5,600,000 is appropriated in section 204(1) of this 2006 act and the balance in this section; and \$11,328,000 from the general fund--federal appropriations in this section.
- (10) (~~(\$4,372,000)~~) \$4,077,000 of the general fund--state appropriation for fiscal year 2006, (~~(\$4,014,000)~~) \$4,847,000 of the general fund--state appropriation for fiscal year 2007, and (~~(\$65,112,000)~~) \$70,100,000 of the general fund--federal appropriation are provided solely for development and implementation of a replacement system for the existing medicaid management information system.
- (11) (~~(\$150,000)~~) \$188,000 of the general fund--state appropriation for fiscal year 2006, (~~(\$75,000)~~) \$37,000 of the general fund--state appropriation for fiscal year 2007, and \$225,000 of the general fund--federal appropriation are provided solely for the department to contract for an independent analysis of the medical assistance administration's current system for establishing hospital inpatient payment rates, and for recommendations on a new or updated system. The department shall submit an interim report of study findings by December 1, 2005, and a final report by November 15, 2006. The interim report shall include a comparison of the strengths and weaknesses of the current rate-setting system relative to those used by other state, federal, and private payers. The final report shall include recommendations on the design and implementation of a new or updated system that will promote equity among hospitals, access to quality care and improved health outcomes for patients, and cost-control and efficiency for taxpayers. The study should make use of complete and current cost data from a wide variety of

hospitals, recognize unique aspects of hospital service delivery structures and medicaid payment systems in Washington, recognize impacts on productivity and quality of care that may result from hospital compensation, recruitment, and retention policies, and provide opportunities for comment and participation by key interest groups in the identification and assessment of alternatives.

(12) Payment rates for hospital inpatient and outpatient services shall be increased by an average of 1.3 percent effective July 1, 2005, and by an average of an additional 1.3 percent effective July 1, 2006. The inpatient increases shall be provided only on the portion of a hospital's rate that excludes medical education and outlier costs, and shall be allocated so that hospitals with lower costs of care (excluding medical education and outlier costs) receive larger percentage increases than those with higher costs of care. The inpatient increases shall be allocated in three percentage increments, with the lowest-cost hospitals receiving the largest percentage rate increase, highest-cost hospitals receiving the smallest percentage increase, and medium-cost hospitals receiving the average of the highest and the lowest percentage rate increase. Increases shall not be provided to those hospitals that are certified as critical access. Sufficient funds are appropriated in this section for Healthy Options contractors to increase hospital payment rates commensurate with the increases in fee-for-service payment rates.

(13) When a person is ineligible for medicaid solely by reason of residence in an institution for mental diseases, the department shall provide the person with the same benefits as he or she would receive if eligible for medicaid, using state-only funds to the extent necessary.

(14) The medical assistance administration is authorized to use funds appropriated in this section to purchase goods and supplies through direct contracting with vendors when the administration determines it is cost-effective to do so.

(15) The legislature affirms that it is in the state's interest for Harborview medical center to remain an economically viable component of the state's health care system.

(16) By October 1, 2005, the department shall recommend to the governor and legislature at least two pilot project designs which seem likely to reduce avoidable emergency room utilization at no net cost to the state within the projects' first eighteen months of operation.

(17) Within funds appropriated in this section, the department shall participate in the health technology assessment program required in section 213(6) of this act.

(18) The department is also required to participate in the joint health purchasing project described in section 213(7) of this act.

(19) The department shall, within available resources, continue operation of the medical care services care management pilot project for clients receiving general assistance benefits in King and Pierce counties. The project may use a full or partial capitation model that includes a mechanism for shared savings. The department shall provide a report to the appropriate committees of the legislature by January 1, 2006, on costs, savings, and any outcomes or quality measures associated with the pilot programs during the first year of operation.

(20) By October 1, 2005, the department shall report to the appropriate committees of the legislature on the potential fiscal and programmatic costs and benefits associated with an expansion of managed care pilot programs to SSI and other eligible medicaid elderly and disabled persons.

~~((22))~~ (21) By November 15, 2006, the department of social and health services, in consultation with the department of revenue and the health care authority, shall report to the health care and fiscal committees of the legislature on options for providing financial incentives for private practice physicians to serve uninsured, medicare, and medicaid patients. The report shall include an assessment of the relative costs and effectiveness of strategies including, but not limited to, tax credits and payment rate increases. The report shall further suggest alternative mechanisms and thresholds for varying tax credits and payment enhancements according to the extent to which a provider serves uninsured, medicare, and medicaid patients.

(22) The department is directed to pursue all available administrative remedies to dispute and reverse recent large retroactive charges by the federal medicare program for payment of medicare part B premiums on behalf of medicaid recipients, to the extent that such premiums are for periods when medicare coverage was in fact never provided the beneficiaries, and their care was instead fully covered by the state medicaid program. The department shall report to the fiscal committees of the legislature by December 1, 2006, on the actions it has taken to dispute and reverse these charges.

(23) \$132,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Second Substitute House Bill No. 2002 (foster care support services). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(24) \$255,000 of the general fund--state appropriation for fiscal year 2007 and \$2,107,000 of the general fund--federal appropriation are provided solely to increase the availability of family planning services at the department of social and health services' community service offices. Resources will be prioritized for those offices where pregnancy rates are higher than the statewide average.

(25) \$23,000 of the general fund--state appropriation for fiscal year 2006, \$137,000 of the general fund--state appropriation for fiscal year 2007, and \$79,000 of the general fund--federal appropriation are provided solely for conducting a study of the employment status of enrollees in the basic health plan and the medical assistance program, pursuant to Engrossed Substitute House Bill No. 3079 (health care services). If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

**Sec. 210.** 2005 c 518 s 210 (uncodified) is amended to read as follows:

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES-- VOCATIONAL REHABILITATION PROGRAM**

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL REHABILITATION PROGRAM**

General Fund--State Appropriation (FY 2006)	(((\$11,202,000))
	\$10,694,000
General Fund--State Appropriation (FY 2007)	(((\$11,350,000))
	\$11,014,000
General Fund--Federal Appropriation	(((\$86,908,000))
	\$89,472,000
<del>((General Fund--Private/Local Appropriation</del>	<del>-\$440,000))</del>
Telecommunications Devices for the Hearing and Speech Impaired--State Appropriation	(((\$1,791,000))
	\$1,792,000

<u>Pension Funding Stabilization Account--State Appropriation</u> .....	\$31,000
TOTAL APPROPRIATION .....	<del>(\$111,691,000)</del>
	<u>\$113,003,000</u>

The appropriations in this section are subject to the following conditions and limitations: The division of vocational rehabilitation shall maintain support for existing clubhouse programs at the 2003-2005 level.

**Sec. 211.** 2005 c 518 s 211 (uncodified) is amended to read as follows:

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES-- ADMINISTRATION AND SUPPORTING SERVICES PROGRAM  
FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

General Fund--State Appropriation (FY 2006) .....	<del>(\$32,933,000)</del>
	<u>\$34,612,000</u>
General Fund--State Appropriation (FY 2007) .....	<del>(\$29,910,000)</del>
	<u>\$35,122,000</u>
General Fund--Federal Appropriation .....	<del>(\$51,489,000)</del>
	<u>\$62,385,000</u>
General Fund--Private/Local Appropriation .....	\$810,000
Public Safety and Education Account--State Appropriation .....	\$2,452,000
Violence Reduction and Drug Enforcement Account--State Appropriation .....	<del>(\$1,791,000)</del>
	<u>\$2,793,000</u>
<del>(Domestic Violence Prevention Account--State Appropriation</del> .....	<del>\$1,345,000)</del>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$300,000</u>
TOTAL APPROPRIATION .....	<del>(\$120,730,000)</del>
	<u>\$138,474,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$500,000 of the general fund--state appropriation for fiscal year 2006 and \$500,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for funding of the teamchild project through the governor's juvenile justice advisory committee.
- (2) \$2,452,000 of the public safety and education account--state appropriation and ~~(\$1,791,000)~~ \$2,791,000 of the violence reduction and drug enforcement account--state appropriation are provided solely for the family policy council.
- (3) \$3,195,000 of the general fund--state appropriation for fiscal year 2006, \$639,000 of the general fund--state appropriation for fiscal year 2007, and \$3,834,000 of the general--fund federal appropriation are provided solely to implement the 2005-07 home care worker collective bargaining agreement.
- (4) ~~(\$1,345,000 of the domestic violence prevention account is provided solely for the implementation of Engrossed Substitute House Bill No. 1314 (domestic violence prevention). If legislation creating the account is not enacted by June 30, 2005, this amount shall lapse.)~~ \$12,000 of the general fund--state appropriation for fiscal year 2007 and \$9,000 of the general fund--federal appropriation for fiscal year 2007 are provided solely to implement Second Substitute House Bill No. 2914 (residential service provider). If the bill is not enacted by June 30, 2006 the amounts provided in this subsection shall lapse.

**Sec. 212.** 2005 c 518 s 212 (uncodified) is amended to read as follows:

**DEPARTMENT OF SOCIAL AND HEALTH SERVICES-- PAYMENTS TO OTHER AGENCIES PROGRAM  
FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

General Fund--State Appropriation (FY 2006) .....	<del>(\$46,381,000)</del>
	<u>\$49,255,000</u>
General Fund--State Appropriation (FY 2007) .....	<del>(\$46,380,000)</del>
	<u>\$49,777,000</u>
General Fund--Federal Appropriation .....	<del>(\$45,103,000)</del>
	<u>\$46,248,000</u>
TOTAL APPROPRIATION .....	<del>(\$137,864,000)</del>
	<u>\$145,280,000</u>

**Sec. 213.** 2005 c 518 s 213 (uncodified) is amended to read as follows:

**STATE HEALTH CARE AUTHORITY  
FOR THE STATE HEALTH CARE AUTHORITY**

<u>General Fund--State Appropriation (FY 2006)</u> .....	<u>\$278,000</u>
<u>General Fund--State Appropriation (FY 2007)</u> .....	<u>\$275,000</u>
General Fund--Federal Appropriation .....	<del>(\$3,140,000)</del>
	<u>\$3,717,000</u>
State Health Care Authority Administrative Account--State Appropriation .....	<del>(\$29,394,000)</del>
	<u>\$33,779,000</u>
Medical Aid Account--State Appropriation .....	<del>(\$171,000)</del>

	<u>\$345,000</u>
Health Services Account--State Appropriation .....	(( <del>\$456,207,000</del> ))
	<u>\$463,771,000</u>
TOTAL APPROPRIATION .....	(( <del>\$488,912,000</del> ))
	<u>\$502,165,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Within amounts appropriated in this section and sections 205 and 206 of this act, the health care authority shall continue to provide an enhanced basic health plan subsidy for foster parents licensed under chapter 74.15 RCW and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at the minimum premium amount charged to enrollees with incomes below sixty-five percent of the federal poverty level.

(2) The health care authority shall require organizations and individuals which are paid to deliver basic health plan services and which choose to sponsor enrollment in the subsidized basic health plan to pay 133 percent of the premium amount which would otherwise be due from the sponsored enrollees.

(3) The administrator shall take at least the following actions to assure that persons participating in the basic health plan are eligible for the level of assistance they receive: (a) Require submission of (i) income tax returns, and recent pay history, from all applicants, or (ii) other verifiable evidence of earned and unearned income from those persons not required to file income tax returns; (b) check employment security payroll records at least once every twelve months on all enrollees; (c) require enrollees whose income as indicated by payroll records exceeds that upon which their subsidy is based to document their current income as a condition of continued eligibility; (d) require enrollees for whom employment security payroll records cannot be obtained to document their current income at least once every six months; (e) not reduce gross family income for self-employed persons by noncash-flow expenses such as, but not limited to, depreciation, amortization, and home office deductions, as defined by the United States internal revenue service; and (f) pursue repayment and civil penalties from persons who have received excessive subsidies, as provided in RCW 70.47.060(9).

(4) \$19,108,000 of the health services account--state appropriation is provided solely for funding for health care services provided through local community clinics.

(5) \$391,000 of the health services account appropriation is provided solely for implementation of Substitute Senate Bill No. 5471, chapter 129, Laws of 2005 (drug purchasing consortium).

(6) The health care authority shall conduct a health technology assessment pilot project to evaluate scientific evidence regarding current and evolving health care procedures, services and technology. The pilot shall be a joint effort of the departments of social and health services, labor and industries, corrections, and veteran's affairs and the health care authority. Upon completion of assessment of a procedure, service or technology, the agencies shall make every effort, consistent with federal and state law, to jointly decide: (a) On coverage of the procedure, service or technology by each agency, and (b) if covered, the guidelines or criteria that will be applied to medical necessity decisions.

(7) The departments of social and health services, labor and industries and the health care authority, in collaboration with affected health care providers, facilities, and contracted health plans, shall design and implement a joint health purchasing project that links payment to health care provider or facility performance, particularly where such performance is expected to improve patient outcomes or where there are wide variations in clinical practice used to treat a condition or illness. The purchasing effort shall utilize evidence-based performance measures that are designed to improve quality of care and yield measurable and significant savings. The project shall include payment mechanisms that create incentives to improve quality of care. On or before December 1, 2006, the agencies shall report to relevant policy and fiscal committees of the legislature on the status of the purchasing project, including actual and anticipated savings.

(8) \$395,000 of the health services account appropriation is provided solely for implementation of Substitute House Bill No. 1689 (dental residency program). If Substitute House Bill No. 1689 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(9) \$250,000 of the health services account appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1688 (certificate of need program). If Engrossed Second Substitute House Bill No. 1688 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(10) \$316,000 of the health services account--state appropriation and \$15,000 of the general fund--federal appropriation are provided solely for a study of electronic medical records systems pursuant to Substitute Senate Bill No. 5064 (electronic medical records). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(11) \$458,000 of the health services account appropriation, \$401,000 of the general fund--federal appropriation, \$205,000 of the state health care authority administrative account--state appropriation, and \$174,000 of the medical aid account--state appropriation are provided solely for conducting assessments of health technologies at health technology assessment centers as defined in Engrossed Second Substitute House Bill No. 2575 (health technology assessment), for supporting the activities of the health technology clinical committee, or other activities required to implement Engrossed Second Substitute House Bill No. 2575. This funding shall not be used to establish a new health technology assessment center. Participating agencies will be the medical assistance administration in the department of social and health services, the department of labor and industries, the health care authority's uniform medical plan, the department of corrections, and the department of veterans affairs. If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) \$500,000 of the state health care authority administrative account--state appropriation is provided solely for the health care authority to develop pilot grants to provide reimbursement, administrative, or quality incentives to providers who adopt health information technologies.

(13) \$1,676,000 of the health services account appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 2572 (small business health insurance assistance program). \$1,000,000 of the health services account appropriation provided for Engrossed Second Substitute House Bill No. 2572 shall be used for subsidies to eligible employees' premiums, and the remainder shall be for the administrative costs of the program. If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(14) \$450,000 of the state health care authority administrative account--state appropriation is provided solely for an on-line employee health assessment tool.

(15) \$278,000 of the general fund--state appropriation for fiscal year 2006, \$275,000 of the general fund--state appropriation for fiscal year 2007, and \$72,000 of the general fund--federal appropriation are provided solely for conducting a study of the employment status of enrollees in the basic health plan and the medical assistance program, pursuant to Engrossed Substitute House Bill No. 3079. If the bill is not enacted by June 30, 2006, the amounts provided in this subsection shall lapse.

**Sec. 214.** 2005 c 518 s 214 (uncodified) is amended to read as follows:

HUMAN RIGHTS COMMISSION

**FOR THE HUMAN RIGHTS COMMISSION**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$2,596,000</del> ))
	<u>\$2,779,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$2,634,000</del> ))
	<u>\$3,051,000</u>
General Fund--Federal Appropriation .....	(( <del>\$1,741,000</del> ))
	<u>\$1,321,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$13,000</u>
TOTAL APPROPRIATION .....	(( <del>\$6,971,000</del> ))
	<u>\$7,164,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The commission shall submit a report by December 1st of each year to the office of financial management and the legislative fiscal committees detailing any changes in existing federal revenues for the remainder of the current fiscal year and changes in projections of federal revenue for the upcoming fiscal year.

(2) \$19,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of House Bill No. 2564 (veterans/discrimination). If House Bill No. 2564 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(3) \$34,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a human rights commission investigator to travel to Vancouver once a week to provide complaint intake, outreach, and conduct investigations.

**Sec. 215.** 2005 c 518 s 215 (uncodified) is amended to read as follows:

BOARD OF INDUSTRIAL INSURANCE APPEALS

**FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

Worker and Community Right-to-Know Account--State Appropriation .....	\$20,000
Accident Account--State Appropriation .....	(( <del>\$16,399,000</del> ))
	<u>\$16,452,000</u>
Medical Aid Account--State Appropriation .....	(( <del>\$16,398,000</del> ))
	<u>\$16,451,000</u>
TOTAL APPROPRIATION .....	(( <del>\$32,817,000</del> ))
	<u>\$32,923,000</u>

**Sec. 216.** 2005 c 518 s 216 (uncodified) is amended to read as follows:

CRIMINAL JUSTICE TRAINING COMMISSION

**FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

Public Safety and Education Account--State Appropriation .....	(( <del>\$19,003,000</del> ))
	<u>\$19,736,000</u>
Death Investigations Account--State Appropriation .....	\$148,000
Municipal Criminal Justice Assistance Account--((Private/Local)) State Appropriation .....	\$460,000
TOTAL APPROPRIATION .....	(( <del>\$19,611,000</del> ))
	<u>\$20,344,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) During the 2005-2007 biennium, the criminal justice training commission is authorized to raise existing fees charged for firearms certification for security guards in excess of the fiscal growth factor established pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting the certification programs and the appropriation levels in this section.

(2) \$100,000 of the public safety and education account--state appropriation is provided solely for support of the coalition of small police agencies major crimes task force. The purpose of this task force is to pool its resources and to establish an efficient and cooperative approach in addressing major violent crimes.

(3) Amounts provided within this section are sufficient to implement the provisions of section 2 of House Bill No. 1136 (electronic monitoring system).

(4) \$163,000 of the public safety and education account--state appropriation is provided solely for the implementation of section 4 of Second Substitute House Bill No. 2805 (missing persons). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

Sec. 217. 2005 c 518 s 217 (uncodified) is amended to read as follows:

DEPARTMENT OF LABOR AND INDUSTRIES

**FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund--State Appropriation (FY 2006)	(( <del>\$7,554,000</del> ))
	<u>\$7,561,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$7,648,000</del> ))
	<u>\$7,671,000</u>
Public Safety and Education Account--State Appropriation	(( <del>\$27,277,000</del> ))
	<u>\$30,236,000</u>
Public Safety and Education Account--Federal Appropriation	\$10,000,000
Asbestos Account--State Appropriation	(( <del>\$808,000</del> ))
	<u>\$810,000</u>
Electrical License Account--State Appropriation	(( <del>\$34,743,000</del> ))
	<u>\$35,934,000</u>
Farm Labor Revolving Account--Private/Local Appropriation	\$28,000
Worker and Community Right-to-Know Account--State Appropriation	(( <del>\$1,836,000</del> ))
	<u>\$1,827,000</u>
Public Works Administration Account--State Appropriation	(( <del>\$2,664,000</del> ))
	<u>\$2,673,000</u>
Accident Account--State Appropriation	(( <del>\$206,490,000</del> ))
	<u>\$209,458,000</u>
Accident Account--Federal Appropriation	\$13,621,000
Medical Aid Account--State Appropriation	(( <del>\$205,011,000</del> ))
	<u>\$209,628,000</u>
Medical Aid Account--Federal Appropriation	\$3,185,000
Plumbing Certificate Account--State Appropriation	(( <del>\$1,657,000</del> ))
	<u>\$1,675,000</u>
Pressure Systems Safety Account--State Appropriation	(( <del>\$3,324,000</del> ))
	<u>\$3,357,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$31,000</u>
TOTAL APPROPRIATION	(( <del>\$525,846,000</del> ))
	<u>\$537,695,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$700,000 of the accident account--state appropriation and \$699,000 of the medical aid account--state appropriation are provided solely for the construction of a computer system to collect data from self-insured employers and are contingent on the passage of Substitute House Bill No. 1310 (workers compensation reporting) on mandatory electronic data reporting by self-insured employers. If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(2) ~~((~~\$27,277,000~~))~~ \$30,000,000 of the public safety and education account--state appropriation, and \$10,000,000 of the public safety and education account--federal appropriation are provided solely for the crime victims' compensation program, subject to the following conditions:

(a) Reimbursement shall be provided throughout the 2005-2007 biennium for full reimbursement of sexual assault forensic exams at workers' compensation rates; ~~(and)~~

(b) Reimbursement shall be provided throughout fiscal year 2007 for full reimbursement of mental health care at workers' compensation rates; and

(c) In accordance with RCW 7.68.015, it is the policy of the state that the department of labor and industries operate the crime victims' compensation program within the amounts provided for this program in this subsection.

(3) \$200,000 of the accident account--state appropriation is provided solely to reimburse the department of agriculture for the agricultural worker pesticide handling and application training program.

(4) \$71,000 of the medical aid account--state appropriation and \$71,000 of the accident account--state appropriation are provided solely for the review of payment of medical bills and authorization for medical procedures by self-insurers.

(5) The department is required to participate in the health technology assessment program required in section 213(6) of this act.

(6) The department is also required to participate in the joint health purchasing project described in section 213(7) of this act.

(7) \$35,000 of the general fund--state appropriation for fiscal year 2006 and \$8,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 1393 (older mobile homes). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(8) \$182,000 of the accident account--state appropriation and \$623,000 of the medical aid account--state appropriation are provided solely to ~~((expand the Spokane center of occupational health and education to include Yakima county. The Spokane center of occupational health will recruit and train approximately one hundred sixty physicians in Yakima county on best practices for occupational medicine and work with labor and business to improve quality and outcomes of medical care provided to injured workers))~~ (a) expand services in the centers of occupational health and education (COHE) in Spokane and Renton; (b) add two additional COHE locations in the state; and (c) include Yakima county in the Spokane COHE.

(9) \$158,000 of the accident account--state appropriation and \$158,000 of the medical aid account--state appropriation are provided solely to implement Substitute House Bill No. 1856 (annual audits of the state industrial insurance fund). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(10) The department shall delay the costs associated with implementation of phase II of its indirect cost allocation plan for the public works administration account until July 1, 2007.

(11) \$236,000 of the public safety and education account--state is provided solely for fiscal year 2007 to implement House Bill No. 2612 (failure to secure a load). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(12) \$83,000 of the electrical license account--state is provided solely for fiscal year 2007 to implement Substitute House Bill No. 1841 (electrical trainees). If the bill is not enacted by June 30, 2006 the amount provided in this subsection shall lapse.

(13) \$345,000 of the accident account--state appropriation and \$61,000 of the medical aid account--state appropriation are provided solely for costs pursuant to Engrossed House Bill No. 2623 (agricultural workers). If the bill is not enacted by June 30, 2006, the amounts provided for this purpose shall lapse.

(14) The department shall prepare a report identifying programs funded either directly or indirectly from state workers' compensation funds. The report shall describe the amounts and percentages of funds used to administer identified programs, as well as the criteria used to make funding decisions. In consultation with the workers' compensation advisory committee, the department shall also develop recommendations for equitable, adequate, and stable funding sources for identified programs. The department shall submit the report and the recommendations to the house of representatives committees on appropriations and commerce and labor, or their successor committees, and the senate committees on ways and means and labor, commerce, research and development, or their successor committees, by December 1, 2006.

**Sec. 218.** 2005 c 518 s 218 (uncodified) is amended to read as follows:

INDETERMINATE SENTENCE REVIEW BOARD

**FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

General Fund--State Appropriation (FY 2006)	\$1,092,000
General Fund--State Appropriation (FY 2007)	(( <del>\$1,096,000</del> ))
	<u>\$1,350,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	\$4,000
TOTAL APPROPRIATION	(( <del>\$2,188,000</del> ))
	<u>\$2,446,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$153,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Engrossed House Bill No. 3261 (sentence review). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

**Sec. 219.** 2005 c 518 s 219 (uncodified) is amended to read as follows:

DEPARTMENT OF VETERANS AFFAIRS

**FOR THE DEPARTMENT OF VETERANS AFFAIRS**

(1) HEADQUARTERS

General Fund--State Appropriation (FY 2006)	(( <del>\$1,918,000</del> ))
	<u>\$1,917,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$1,880,000</del> ))
	<u>\$1,882,000</u>
Charitable, Educational, Penal, and Reformatory Institutions Account--State Appropriation	\$10,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	\$10,000
TOTAL APPROPRIATION	(( <del>\$3,808,000</del> ))
	<u>\$3,819,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department shall participate in the health technology assessment program required in section 213(6) of this act.

(b) The department shall participate in the joint health purchasing project described in section 213(7) of this act.

(c) \$25,000 of the general fund--state appropriation for fiscal year 2006 is provided for the department to conduct a feasibility study of a veterans' cemetery in eastern Washington. The study shall include location, acquisition costs, projection of continued operations costs, and revenue sources for acquisition and operations. A final report of the findings shall be submitted no later than December 15, 2005.

(d) \$70,000 of the general fund--state appropriation for fiscal year 2006 and \$70,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for implementation of Senate Bill No. 5539 (veterans conservation corps). If Senate Bill No. 5539 is not enacted by June 30, 2005, these amounts shall lapse.

(2) FIELD SERVICES

General Fund--State Appropriation (FY 2006)	\$2,811,000
General Fund--State Appropriation (FY 2007)	(( <del>\$2,809,000</del> ))
	<u>\$3,317,000</u>
General Fund--Federal Appropriation	\$343,000

General Fund--Private/Local Appropriation .....	(\$2,016,000)
	<u>\$2,018,000</u>
<u>Veterans' Innovations Program Account--State Appropriation</u> .....	<u>\$3,000,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$11,000</u>
TOTAL APPROPRIATION .....	(\$7,979,000)
	<u>\$11,500,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$25,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the development of a public service announcement outreach campaign directed at returning veterans from Operation Iraqi Freedom and Operation Enduring Freedom.

(b) \$75,000 of the general fund--state appropriation for fiscal year 2006 and \$95,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the post traumatic stress counseling program expansion to address the needs of veterans returning from Iraq and Afghanistan.

(c) \$3,000,000 of the veterans' innovations program account--state appropriation for fiscal year 2007 is provided solely to implement Second Substitute House Bill No. 2754 (veterans' innovations program). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(3) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2006) .....	(\$8,259,000)
	<u>\$5,283,000</u>
General Fund--State Appropriation (FY 2007) .....	(\$8,238,000)
	<u>\$5,888,000</u>
General Fund--Federal Appropriation .....	(\$31,436,000)
	<u>\$36,144,000</u>
General Fund--Private/Local Appropriation .....	(\$26,338,000)
	<u>\$28,858,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$187,000</u>
TOTAL APPROPRIATION .....	(\$74,271,000)
	<u>\$76,360,000</u>

**Sec. 220.** 2005 c 518 s 220 (uncodified) is amended to read as follows:

HOME CARE QUALITY AUTHORITY

**FOR THE HOME CARE QUALITY AUTHORITY**

General Fund--State Appropriation (FY 2006) .....	(\$919,000)
	<u>\$724,000</u>
General Fund--State Appropriation (FY 2007) .....	(\$1,093,000)
	<u>\$1,401,000</u>
General Fund--Federal Appropriation .....	(\$1,034,000)
	<u>\$1,167,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$2,000</u>
TOTAL APPROPRIATION .....	(\$3,046,000)
	<u>\$3,294,000</u>

The appropriations in this section are subject to the following conditions and limitations: The legislature encourages the home care quality authority to move forward with implementation of a statewide referral registry system by use of any existing and future agency administrative moneys and by seeking other means of funding, including grants and additional funding resources.

**Sec. 221.** 2005 c 518 s 221 (uncodified) is amended to read as follows:

DEPARTMENT OF HEALTH

**FOR THE DEPARTMENT OF HEALTH**

General Fund--State Appropriation (FY 2006) .....	(\$64,090,000)
	<u>\$62,828,000</u>
General Fund--State Appropriation (FY 2007) .....	(\$64,485,000)
	<u>\$67,717,000</u>
General Fund--Federal Appropriation .....	(\$455,467,000)
	<u>\$477,467,000</u>
General Fund--Private/Local Appropriation .....	(\$101,479,000)
	<u>\$104,937,000</u>
Hospital Commission Account--State Appropriation .....	(\$2,615,000)
	<u>\$2,621,000</u>
Health Professions Account--State Appropriation .....	(\$51,659,000)
	<u>\$54,831,000</u>

Aquatic Lands Enhancement Account--State Appropriation .....	\$600,000
Emergency Medical Services and Trauma Care Systems Trust Account--State Appropriation .....	(((\$12,578,000))
	<u>\$12,579,000</u>
Safe Drinking Water Account--State Appropriation .....	(((\$2,907,000))
	<u>\$2,917,000</u>
Drinking Water Assistance Account--Federal Appropriation .....	(((\$16,158,000))
	<u>\$16,179,000</u>
Waterworks Operator Certification--State Appropriation .....	(((\$1,098,000))
	<u>\$1,099,000</u>
Drinking Water Assistance Administrative Account--State Appropriation .....	\$326,000
Water Quality Account--State Appropriation .....	(((\$3,680,000))
	<u>\$3,693,000</u>
State Toxics Control Account--State Appropriation .....	(((\$2,843,000))
	<u>\$2,852,000</u>
Medical Test Site Licensure Account--State Appropriation .....	(((\$1,790,000))
	<u>\$1,798,000</u>
Youth Tobacco Prevention Account--State Appropriation .....	\$1,806,000
Public Health Supplemental Account--Private/Local Appropriation .....	\$3,306,000
Accident Account--State Appropriation .....	(((\$275,000))
	<u>\$277,000</u>
Medical Aid Account--State Appropriation .....	\$46,000
Health Services Account--State Appropriation .....	(((\$38,101,000))
	<u>\$41,942,000</u>
Tobacco Prevention and Control Account--State Appropriation .....	(((\$52,677,000))
	<u>\$52,684,000</u>
Patient Safety Account--State Appropriation .....	(((\$641,000))
	<u>\$20,000</u>
<u>Pension Funding Stabilization Account--State Appropriation .....</u>	<u>\$144,000</u>
TOTAL APPROPRIATION .....	(((\$878,625,000))
	<u>\$912,669,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The department or any successor agency is authorized to raise existing fees charged for the clandestine drug lab program, the drinking water program, radioactive materials license fees, X-ray facility registration fees, shellfish commercial paralytic shellfish poisoning fees, the water recreation program, the wastewater management program, newborn specialty clinic fees, acute care hospitals, psychiatric hospitals, child birth centers, correctional medical facilities, alcoholism hospitals, and the midwifery program, in excess of the fiscal growth factor pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting business and the appropriation levels in this section. However, the department may not raise existing fees charged for the midwifery program by more than twenty percent over the biennium and from July 1, 2006, through June 30, 2007, the annual fees for new or renewed licenses shall be no greater than \$450.

(2) \$1,363,000 of the general fund--state fiscal year 2006 appropriation, \$1,363,000 of the general fund--state fiscal year 2007 appropriation, and \$676,000 of the general fund--local appropriation are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items, DOH-01, DOH-02, DOH-03, and DOH-04.

(3) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation that provides appropriation authority, and an equal amount of appropriated state moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(4) \$383,000 of the general fund--state appropriation for fiscal year 2006, \$317,000 of the general fund--state appropriation for fiscal year 2007, and \$600,000 of the aquatic lands enhancement account appropriation are provided solely to assist counties in marine areas complete on-site sewage system management plans and electronic data bases to inventory on-site sewage systems.

(5) \$60,000 of the health professions account appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5470 (prescription importation). If Engrossed Substitute Senate Bill No. 5470 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(6) \$268,000 of the health professions account appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 2266 (precursor drugs). If Engrossed Substitute House Bill No. 2266 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(7) \$42,000 of the health professions account appropriation is provided solely for implementation of Second Substitute House Bill No. 1168 (prescription reimportation). If Second Substitute House Bill No. 1168 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(8) (~~(\$82,000 of the general fund--state appropriation for fiscal year 2006, \$52,000 of the general fund--state appropriation for fiscal year 2007, and \$641,000)~~ \$20,000 of the patient safety account appropriation (~~(are)~~ is) provided solely for implementation of Second Engrossed Second Substitute House Bill No. 1291 (patient safety practices). If Engrossed Second Substitute House Bill No. 1291 is not enacted by June 30, (~~(2005)~~ 2006), the amounts provided in this subsection shall lapse.

(9) \$100,000 of the general fund--state appropriation for fiscal year 2006 and (~~(\$200,000)~~ \$620,000) of the general fund--state appropriation for fiscal year 2007 are provided solely for the department to implement a multi-year pilot project covering Adams, Chelan, Douglas, Grant, Okanogan, Skagit, and Franklin counties for persons with household income at or below 200 percent of the federal poverty level who are ineligible for family planning services through the medicaid program. Individuals who will be served under the pilot program include women who have never been pregnant, are not currently pregnant, or are beyond the family planning extension period allowed for first steps program eligibility. It is anticipated that the pilot program will serve (~~(approximately)~~ over 500 women. The department will provide a preliminary report to the appropriate committees of the legislature by January 1, 2006, and a final report by January 1, 2007.

(10) \$462,000 of the general fund--private/local appropriation is provided solely to support specialty clinics that provide treatment services to children that are identified with one of the five heritable or metabolic disorders added to the newborn screening panel by the state board of health in 2003.

(11) \$125,000 of the general fund--state appropriation for fiscal year 2006 and \$125,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the farmers' market nutrition program of the special supplemental nutrition program for women, infants and children. It is anticipated that these funds will enable the department to expand 2004 participation levels by 8,000 persons annually.

(12) \$100,000 of the general fund--state appropriation for fiscal year 2006 and \$100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the infertility prevention project to implement effective prevention strategies designed to reduce the prevalence of chlamydia and gonorrhea and their potentially debilitating complications.

(13) With funds appropriated in this section, the medical advisory committee to the early detection breast and cervical cancer screening program shall study and recommend strategies for adopting emerging technologies and best practices from the national, state, and local levels in the field of early prevention and detection for breast and cervical cancer, and assist the early detection breast and cervical cancer screening program in implementing policy that follows the best practices of high quality health care for clinical, diagnostic, preventative, pathologic, radiological, and oncology services. The committee will report its recommendations to the legislature by December 15, 2006.

(14) \$25,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to develop and implement best practices in preventative health care for children. The department and the kids get care program of public health - Seattle and King county will work in collaboration with local health care agencies to disseminate strategic interventions that are focused on evidence-based best practices for improving health outcomes in children and saving health-care costs.

(15) \$48,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1075 (nursing quality commission). If Substitute House Bill No. 1075 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(16) \$74,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1137 (physical therapy). If Substitute House Bill No. 1137 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(17) \$109,000 of the health professions account appropriation is provided solely for implementation of House Bill No. 1546 (naturopathic physicians). If House Bill No. 1546 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(18) \$80,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1689 (dental health services). If Substitute House Bill No. 1689 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(19) \$42,000 of the general fund--state appropriation for fiscal year 2006 and \$24,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1605 (soil contamination). If Engrossed Second Substitute House Bill No. 1605 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(20) \$40,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for implementation of Substitute House Bill No. 1951 (vision exams for children). If Substitute House Bill No. 1951 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(21) \$43,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for implementation of Engrossed Senate Bill No. 5049 (mold in residential units). If Engrossed Senate Bill No. 5049 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(22) \$26,000 of the general fund--state appropriation for fiscal year 2006 and \$12,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for implementation of Senate Bill No. 5311 (autism task force). If Senate Bill No. 5311 is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(23) \$168,000 of the health services account appropriation is provided solely for a two-year pilot project under which parents have the option to choose vaccines which do not contain mercury.

(24) \$750,000 of the health services account--state appropriation is provided solely to add one or more combination vaccines to the universal access to childhood immunizations program. The vaccine or vaccines to be added shall be selected by the department after a clinical and cost-effectiveness review by the state vaccine advisory committee. The review shall consider at least the following criteria: (a) The likelihood that use of the combination vaccine will increase childhood immunization rates; (b) the vaccine's relative effectiveness, and the prevalence and seriousness of the conditions it prevents; (c) the relative cost of the vaccine, after accounting for the extent to which it would replace some single injection antigens; and (d) the degree to which the vaccine fits the schedule of routinely recommended childhood immunizations. The projected 2007-09 state cost of the combination vaccine or vaccines added pursuant to this review shall not exceed \$3,000,000.

(25) \$151,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a grant to the Kitsap county health district. The funding shall be used to increase the number of women who receive professional support after delivery through a home visit or telephone call by the county health district. In order to receive the funds, Kitsap county health district must provide an equal amount of matching funds.

(26) \$170,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Engrossed Second Substitute House Bill No. 1488 (brominated flame retardants). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(27) \$13,000 of the general fund--state appropriation for fiscal year 2007 and \$208,000 of the health professions account appropriation are provided solely for implementation of Substitute House Bill No. 2431 (background checks/health care). If Substitute House Bill No. 2431 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(28) \$11,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2574 (hospital charity care). If Substitute House Bill No. 2574 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(29) \$324,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of House Bill No. 2342 (health care declarations). If House Bill No. 2342 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(30) \$425,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1015 (hospital-acquired infections). If Engrossed Second Substitute House Bill No. 1015 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(31) \$268,000 of the general fund--state appropriation for fiscal year 2007 and \$1,220,000 of the health professions account appropriation are provided solely for implementation of Second Substitute House Bill No. 2292 (health care liability reform). If Second Substitute House Bill No. 2292 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(32) \$96,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 2974 (health professions discipline). If Substitute House Bill No. 2974 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(33) \$17,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Substitute House Bill No. 2335 (body piercing). If Substitute House Bill No. 2335 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(34) \$3,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 2341 (optometry licensing). If Substitute House Bill No. 2341 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(35) \$25,000 of the general fund--private/local appropriation is provided solely for implementation of Substitute House Bill No. 2669 (specialty hospitals). If Substitute House Bill No. 2669 is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(36) \$27,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Engrossed Substitute House Bill No. 2884 (reclaimed water). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(37) The department of health shall evaluate alternative models for funding the regulation of the health professions, including charging an equivalent fee for all licensed, certified, and registered health professions and retaining the interest on the health professions account to defray regulatory costs. The department will provide a report to the appropriate committees of the legislature on the potential fiscal and programmatic benefits and challenges of such alternative models by December 1, 2006.

**Sec. 222.** 2005 c 518 s 222 (uncodified) is amended to read as follows:

**DEPARTMENT OF CORRECTIONS**

**FOR THE DEPARTMENT OF CORRECTIONS**

The appropriations to the department of corrections in this act shall be expended for the programs and in the amounts specified herein. However, after May 1, 2006, after approval by the director of financial management and unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year 2006 between programs. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any deviations from appropriation levels. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund--State Appropriation (FY 2006)	(( <del>\$52,282,000</del> ))
	\$47,281,000
General Fund--State Appropriation (FY 2007)	(( <del>\$41,838,000</del> ))
	\$59,589,000
General Fund--Federal Appropriation	\$1,022,000
Violence Reduction and Drug Enforcement Account--State Appropriation	\$26,000
Public Safety and Education Account--State Appropriation	(( <del>\$2,768,000</del> ))
	\$2,774,000
<del>(Industrial Insurance Account--State Appropriation)</del>	<del>(\$1,000)</del>
Pension Funding Stabilization Account--State Appropriation	\$245,000
<b>TOTAL APPROPRIATION</b>	<b>((<del>\$97,937,000</del>))</b>
	<b>\$110,937,000</b>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) ~~((~~\$11,250,000~~))~~ \$5,250,000 of the general fund--state appropriation for fiscal year 2006 ~~((is))~~ and \$17,250,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for phase three of the department's offender-based tracking system replacement project. This amount is conditioned on the department satisfying the requirements of section 902 of this act.

(b) \$26,000 of the general fund--state appropriation for fiscal year 2006 and \$44,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 1402 (offender travel or transfer). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(2) CORRECTIONAL OPERATIONS

General Fund--State Appropriation (FY 2006)	(((\$516,992,000))
	<u>\$522,749,000</u>
General Fund--State Appropriation (FY 2007)	(((\$545,816,000))
	<u>\$553,597,000</u>
General Fund--Federal Appropriation	(((\$4,424,000))
	<u>\$3,447,000</u>
Violence Reduction and Drug Enforcement Account--State Appropriation	\$2,984,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$2,269,000</u>
TOTAL APPROPRIATION	(((\$1,070,216,000))
	<u>\$1,085,046,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) For the acquisition of properties and facilities, the department of corrections is authorized to enter into financial contracts, paid for from operating resources, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. This authority applies to the following: Lease-develop with the option to purchase or lease-purchase work release beds in facilities throughout the state for \$8,561,000.

(b) The department may expend funds generated by contractual agreements entered into for mitigation of severe overcrowding in local jails. Any funds generated in excess of actual costs shall be deposited in the state general fund. Expenditures shall not exceed revenue generated by such agreements and shall be treated as recovery of costs.

(c) The department shall provide funding for the pet partnership program at the Washington corrections center for women at a level at least equal to that provided in the 1995-97 biennium.

(d) The department shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(e) During the 2005-07 biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.

(f) The department shall participate in the health technology assessment program required in section 213(6) of this act. The department shall also participate in the joint health purchasing project described in section 213(7) of this act.

(g) The Harborview medical center shall provide inpatient and outpatient hospital services to offenders confined in department of corrections facilities at a rate no greater than the average rate that the department has negotiated with other community hospitals in Washington state.

(3) COMMUNITY SUPERVISION

General Fund--State Appropriation (FY 2006)	(((\$82,210,000))
	<u>\$89,333,000</u>
General Fund--State Appropriation (FY 2007)	(((\$81,646,000))
	<u>\$92,970,000</u>
Public Safety and Education Account--State Appropriation	(((\$16,736,000))
	<u>\$16,796,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$449,000</u>
TOTAL APPROPRIATION	(((\$180,592,000))
	<u>\$199,548,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(b) \$268,000 of the general fund--state appropriation for fiscal year 2006 and \$484,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Substitute House Bill No. 1402 (offender travel or transfer). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(c) \$122,000 of the general fund--state appropriation for fiscal year 2006 and \$82,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of House Bill No. 1136 (electronic monitoring system). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(d) \$1,218,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2407 (monitoring sex offenders). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(4) CORRECTIONAL INDUSTRIES

General Fund--State Appropriation (FY 2006)	\$838,000
General Fund--State Appropriation (FY 2007)	\$882,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$3,000</u>
TOTAL APPROPRIATION	(( <del>\$1,720,000</del> )) <u>\$1,723,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: \$110,000 of the general fund--state appropriation for fiscal year 2006 and \$110,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

(5) INTERAGENCY PAYMENTS

General Fund--State Appropriation (FY 2006)	(( <del>\$33,839,000</del> )) <u>\$37,289,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$33,838,000</del> )) <u>\$38,662,000</u>
TOTAL APPROPRIATION	(( <del>\$67,677,000</del> )) <u>\$75,951,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: \$130,000 of the general fund--state appropriation for fiscal year 2006 and \$196,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for expenditures related to the *Farrakhan v. Locke* litigation.

**Sec. 223.** 2005 c 518 s 223 (uncodified) is amended to read as follows:

DEPARTMENT OF SERVICES FOR THE BLIND  
**FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

General Fund--State Appropriation (FY 2006)	(( <del>\$1,887,000</del> )) <u>\$2,037,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$1,939,000</del> )) <u>\$1,962,000</u>
General Fund--Federal Appropriation	(( <del>\$15,326,000</del> )) <u>\$15,362,000</u>
General Fund--Private/Local Appropriation	\$80,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$5,000</u>
TOTAL APPROPRIATION	(( <del>\$19,232,000</del> )) <u>\$19,446,000</u>

**Sec. 224.** 2005 c 518 s 224 (uncodified) is amended to read as follows:

SENTENCING GUIDELINES COMMISSION  
**FOR THE SENTENCING GUIDELINES COMMISSION**

General Fund--State Appropriation (FY 2006)	\$864,000
General Fund--State Appropriation (FY 2007)	(( <del>\$861,000</del> )) <u>\$863,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$4,000</u>
TOTAL APPROPRIATION	(( <del>\$1,725,000</del> )) <u>\$1,731,000</u>

**Sec. 225.** 2005 c 518 s 225 (uncodified) is amended to read as follows:

EMPLOYMENT SECURITY DEPARTMENT  
**FOR THE EMPLOYMENT SECURITY DEPARTMENT**

General Fund--State Appropriation (FY 2006)	\$60,000
General Fund--State Appropriation (FY 2007)	\$60,000
General Fund--Federal Appropriation	(( <del>\$259,865,000</del> )) <u>\$260,228,000</u>
General Fund--Private/Local Appropriation	(( <del>\$31,857,000</del> )) <u>\$31,966,000</u>
Unemployment Compensation Administration Account--Federal Appropriation	(( <del>\$199,217,000</del> ))

	<u>\$200,058,000</u>
Administrative Contingency Account--State Appropriation .....	(( <del>\$14,946,000</del> ))
	<u>\$16,866,000</u>
Employment Service Administrative Account--State Appropriation .....	(( <del>\$24,411,000</del> ))
	<u>\$24,491,000</u>
TOTAL APPROPRIATION .....	(( <del>\$530,416,000</del> ))
	<u>\$533,729,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(1) \$2,087,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the Social Security Act (Reed Act). This amount is provided to replace obsolete information technology infrastructure.

(2) \$12,735,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the Social Security Act (Reed Act). This amount is authorized for state choice administrative functions. The department shall submit recommendations by September 1, 2007, to the office of financial management and the legislative fiscal committees for options reducing the costs of the state choice administrative functions for the 2007-2009 biennium. If these options require any statutory changes, the department shall submit agency request legislation to the appropriate legislative policy committees and fiscal committees by December 15, 2007.

(3) \$2,300,000 of the unemployment compensation administration account--federal appropriation is provided from amounts made available to the state by section 903(d) of the Social Security Act (Reed Act). This amount is authorized to continue implementation of chapter 4, Laws of 2003 2nd sp. sess. and for implementation costs relating to Engrossed House Bill No. 2255 (unemployment insurance).

(4) \$4,578,000 of the unemployment compensation administration account--federal appropriation is provided from funds made available to the state by section 903(d) of the Social Security Act (Reed Act). These funds are authorized to provide direct services to unemployment insurance claimants and providing job search review.

**PART III  
NATURAL RESOURCES**

**Sec. 301.** 2005 c 518 s 301 (uncodified) is amended to read as follows:

COLUMBIA RIVER GORGE COMMISSION  
**FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2006) .....	\$471,000
General Fund--State Appropriation (FY 2007) .....	(( <del>\$478,000</del> ))
	<u>\$479,000</u>
General Fund--Private/Local Appropriation .....	(( <del>\$859,000</del> ))
	<u>\$862,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$2,000</u>
TOTAL APPROPRIATION .....	(( <del>\$1,808,000</del> ))
	<u>\$1,814,000</u>

**Sec. 302.** 2005 c 518 s 302 (uncodified) is amended to read as follows:

DEPARTMENT OF ECOLOGY  
**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$40,648,000</del> ))
	<u>\$40,689,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$40,344,000</del> ))
	<u>\$43,462,000</u>
General Fund--Federal Appropriation .....	(( <del>\$73,911,000</del> ))
	<u>\$74,678,000</u>
General Fund--Private/Local Appropriation .....	(( <del>\$13,287,000</del> ))
	<u>\$13,290,000</u>
Special Grass Seed Burning Research Account--State Appropriation .....	\$14,000
Reclamation Account--State Appropriation .....	(( <del>\$2,646,000</del> ))
	<u>\$2,778,000</u>
Flood Control Assistance Account--State Appropriation .....	(( <del>\$3,084,000</del> ))
	<u>\$3,422,000</u>
State Emergency Water Projects Revolving Account--State Appropriation .....	(( <del>\$1,456,000</del> ))
	<u>\$1,312,000</u>
Waste Reduction/Recycling/Litter Control--State Appropriation .....	(( <del>\$15,067,000</del> ))
	<u>\$15,081,000</u>
State Drought Preparedness Account--State Appropriation .....	(( <del>\$221,000</del> ))
	<u>\$225,000</u>

State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation .....	(\$384,000)
	<u>\$386,000</u>
Vessel Response Account--State Appropriation .....	\$2,876,000
Site Closure Account--State Appropriation .....	(\$655,000)
	<u>\$656,000</u>
Water Quality Account--State Appropriation .....	(\$28,021,000)
	<u>\$28,085,000</u>
Wood Stove Education and Enforcement Account--State Appropriation .....	\$357,000
Worker and Community Right-to-Know Account--State Appropriation .....	(\$2,142,000)
	<u>\$2,153,000</u>
State Toxics Control Account--State Appropriation .....	(\$78,169,000)
	<u>\$85,268,000</u>
State Toxics Control Account--Private/Local Appropriation .....	(\$379,000)
	<u>\$380,000</u>
Local Toxics Control Account--State Appropriation .....	(\$5,258,000)
	<u>\$5,274,000</u>
Water Quality Permit Account--State Appropriation .....	(\$31,909,000)
	<u>\$32,468,000</u>
Underground Storage Tank Account--State Appropriation .....	(\$2,883,000)
	<u>\$2,889,000</u>
Environmental Excellence Account--State Appropriation .....	\$504,000
Biosolids Permit Account--State Appropriation .....	(\$851,000)
	<u>\$853,000</u>
Hazardous Waste Assistance Account--State Appropriation .....	(\$5,153,000)
	<u>\$5,171,000</u>
Air Pollution Control Account--State Appropriation .....	(\$11,199,000)
	<u>\$11,206,000</u>
Oil Spill Prevention Account--State Appropriation .....	(\$10,219,000)
	<u>\$11,117,000</u>
Air Operating Permit Account--State Appropriation .....	(\$2,679,000)
	<u>\$2,922,000</u>
Freshwater Aquatic Weeds Account--State Appropriation .....	(\$2,534,000)
	<u>\$2,144,000</u>
Oil Spill Response Account--State Appropriation .....	\$7,079,000
Metals Mining Account--State Appropriation .....	\$14,000
Water Pollution Control Revolving Account--State Appropriation .....	(\$413,000)
	<u>\$485,000</u>
Water Pollution Control Revolving Account--State Appropriation .....	(\$1,995,000)
	<u>\$2,357,000</u>
Freshwater Aquatic Algae Control Account--State Appropriation .....	\$509,000
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$186,000</u>
TOTAL APPROPRIATION .....	(\$386,860,000)
	<u>\$400,290,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,526,196 of the general fund--state appropriation for fiscal year 2006, \$2,526,195 of the general fund--state appropriation for fiscal year 2007, \$366,000 of the general fund--federal appropriation, \$2,581,000 of the state toxics account--state appropriation, \$540,806 of the water quality account--state appropriation, \$3,748,220 of the water quality permit account--state appropriation, and \$705,000 of the oil spill prevention account are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items DOE-01, DOE-02, DOE-04, DOE-06, DOE-07, DOE-08, and DOE-09.

(2) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.

(3) \$4,054,000 of the state toxics control account appropriation is provided solely for methamphetamine lab clean-up activities and for the clean up of toxic waste, focusing on clean up within and around Puget Sound.

(4) \$170,000 of the oil spill prevention account appropriation is provided solely for implementation of the Puget Sound conservation and recovery plan action item UW-02 through a contract with the University of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(5) \$2,500,000 of the general fund--state appropriation for fiscal year 2006 and \$2,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for shoreline grants to local governments to implement Substitute Senate Bill No. 6012 (shoreline management), chapter 262, Laws of 2003.

(6) \$156,000 of the general fund--state appropriation for fiscal year 2006 and \$144,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to expand the department's pilot program for processing 401 water quality certification projects to a statewide

process and timeline to meet improved permit processing accountability and timelines, which will result in 90 percent of routine certifications occurring within 90 days of application, and acknowledgement of receipt of the application being sent within 10 days.

(7) Fees approved by the department of ecology in the 2005-07 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(8) \$100,000 of the general fund--state appropriation for fiscal year 2006 and \$100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to support water measurement and water storage components of the Columbia River Initiative Program.

~~(9) (\$661,000 of the reclamation account--state appropriation is provided solely to implement Senate Bill No. 5831 (well construction fees). If the bill is enacted by June 30, 2005, \$150,000 from the general fund--state appropriation for fiscal year 2006 and \$150,000 from the general fund--state appropriation for fiscal year 2007 provided in this section shall lapse. If the bill is not enacted by June 30, 2005, the amount provided from the reclamation account in this subsection shall lapse.~~

~~(10))~~ \$509,000 of the freshwater aquatic algae control account--state is provided solely for implementation of Engrossed Substitute Senate Bill No. 5699 (aquatic invasive species). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

~~((H))~~ (10) \$250,000 of the state toxics control account--state appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1605 (soil contamination). If the bill is not enacted by June 30, 2005, the amount in this subsection shall lapse.

~~((H2))~~ (11) \$200,000 of the water quality account--state appropriation is provided solely for the department to contract with the state conservation commission to provide statewide coordination and support for coordinated resource management.

(12) The department shall assist the office of regulatory assistance in implementing activities consistent with the governor's regulatory improvement program. The department shall support and provide expertise to facilitate, coordinate, and simplify citizen and business interactions so as to improve state regulatory processes involving state, local, and federal stakeholders.

(13) \$196,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Engrossed Substitute House Bill No. 2884 (reclaimed water). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(14) \$859,000 of the oil spill prevention account--state appropriation is provided solely to implement Second Substitute House Bill No. 2593 (oil spill prevention). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(15) \$2,023,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Engrossed Second Substitute House Bill No. 2860 (Columbia river basin). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(16) \$297,000 of the state toxics control account--state appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1488 (brominated flame retardants). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(17) \$340,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to develop and adopt comprehensive rules related to the use of prior converted crop land and the filling or other use of small, isolated, or other low-value wetlands under the provisions of chapter 90.48 RCW. The department shall use a negotiated rule-making process and shall adopt rules by June 30, 2009.

(18) \$150,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to develop a pilot water management process that will include three federally recognized treaty Indian tribes.

(19) \$130,000 of the state toxics control account--state appropriation is provided solely to support pesticide container recycling activities in Washington.

(20) \$700,000 of the state toxics control account--state appropriation is provided solely to complete the clean up of the Everett Asarco residential area.

(21) \$100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to Walla Walla county and Columbia county conservation district for habitat conservation planning and related endangered species act assurances for small irrigators and landowners.

(22) To maximize the use of amounts appropriated during this biennium for the clean up of toxic waste, focusing on clean up within and around Puget Sound, the department shall prioritize for this purpose the use of existing staff, additional FTEs added this biennium, temporary project staff, and contracted services.

**Sec. 303.** 2005 c 518 s 303 (uncodified) is amended to read as follows:

**STATE PARKS AND RECREATION COMMISSION**

**FOR THE STATE PARKS AND RECREATION COMMISSION**

General Fund--State Appropriation (FY 2006)	(( <del>\$34,527,000</del> ))
	\$35,187,000
General Fund--State Appropriation (FY 2007)	(( <del>\$34,669,000</del> ))
	\$38,748,000
General Fund--Federal Appropriation	\$2,738,000
General Fund--Private/Local Appropriation	\$71,000
Winter Recreation Program Account--State Appropriation	(( <del>\$1,110,000</del> ))
	\$1,109,000
Off-Road Vehicle Account--State Appropriation	(( <del>\$225,000</del> ))
	\$220,000
Snowmobile Account--State Appropriation	\$4,805,000
Aquatic Lands Enhancement Account--State Appropriation	\$345,000
Parks Renewal and Stewardship Account--State Appropriation	(( <del>\$38,480,000</del> ))
	\$38,702,000
Public Safety and Education Account--State Appropriation	\$47,000
Parks Renewal and Stewardship Account--Private/Local Appropriation	\$300,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$191,000</u>

TOTAL APPROPRIATION ..... ((\$117,317,000))  
\$122,463,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Fees approved by the state parks and recreation commission in the 2005-07 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(2) \$79,000 of the general fund--state appropriation for fiscal year 2006 and \$79,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a grant for the operation of the Northwest avalanche center.

(3) \$191,000 of the aquatic lands enhancement account appropriation is provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action item PRC-02.

(4) \$185,000 of the parks renewal and stewardship account--state appropriation is provided solely to develop a plan for public education and tourist orientation and interpretation at selected state park sites along the route of the ice age floods from Spokane to the Pacific ocean.

(5) \$2,800,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Substitute House Bill No. 2416 (state park fees). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(6) \$1,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for deposit into the state parks centennial account to implement Second Substitute House Bill No. 2422 (funding state and local parks). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse. The expenditure of appropriations from the state parks centennial account is contingent upon the receipt of an equal amount of nonstate funds to the state parks centennial account.

**Sec. 304.** 2005 c 518 s 304 (uncodified) is amended to read as follows:

INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

**FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

General Fund--State Appropriation (FY 2006) ..... \$1,401,000  
 General Fund--State Appropriation (FY 2007) ..... ~~(\$1,414,000)~~

\$1,417,000

General Fund--Federal Appropriation ..... ~~(\$18,455,000)~~  
\$18,462,000

General Fund--Private/Local Appropriation ..... \$250,000

Aquatic Lands Enhancement Account--State Appropriation ..... \$254,000

Water Quality Account--State Appropriation ..... \$200,000

Firearms Range Account--State Appropriation ..... \$24,000

Recreation Resources Account--State Appropriation ..... ~~(\$3,176,000)~~  
\$2,196,000

NOVA Program Account--State Appropriation ..... \$809,000

Pension Funding Stabilization Account--State Appropriation ..... \$1,000

TOTAL APPROPRIATION ..... ~~(\$25,983,000)~~  
\$25,014,000

The appropriations in this section are subject to the following conditions and limitations:

(1) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.

(2) \$16,025,000 of the general fund--federal appropriation is provided solely for implementation of the forest and fish agreement rules. These funds will be passed through to the department of natural resources and the department of fish and wildlife.

(3) During the 2005-07 fiscal biennium, any county that purchased land before 1978 for off-road vehicle sports park recreation pursuant to 1972 ex.s. c 153 and 1975 1st ex.s. c 34 may discharge its contractual obligations for state-funded capital improvements on those lands if by no later than June 30, 2007:

(a) It sells on the open market, at the highest price achievable, all such lands and related facilities and equipment. After deducting reasonable expenses for the cost of sale, all remaining funds will be deposited within thirty days of closing to the nonhighway and off-road vehicle activities program account in the office of the state treasurer. Any funds derived from such sale shall be expended in accordance with RCW 46.09.170(2)(d)(ii)(A) in the same manner as funds the committee receives from RCW 46.09.110 and shall be used for off-road vehicle recreation facilities in areas west of the crest of the Cascade Mountains with preference for developing a new off-road vehicle sports park; or

(b) With the consent of the interagency committee, it gives all such lands and related facilities and equipment to a state or local agency. The state or local agency must agree to make the lands available for purposes related to motorized off-road vehicle recreation. The agency will not be responsible for contractual obligations for previous state-funded capital improvements on those lands. The interagency committee may award a one time noncompetitive grant to the agency for renovation and other capital improvements and for initial operating costs. If a transfer of property under this subsection (b) is not approved prior to June 30, 2006, then the property shall be sold according to (a) of this subsection.

(4) \$125,000 of the general fund--state appropriation for fiscal year 2006 and \$125,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the biodiversity strategy.

(5) \$20,000 of the general fund--state appropriation for fiscal year 2006 and \$20,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for coordination of federal, state, tribal, local, and private aquatic monitoring efforts. The department shall provide a memorandum to the office of financial management and legislative fiscal committees in January of every year which specifies

performance measures to reduce redundancy, increase efficiency, and help meet the goals and objectives of the various entities involved in monitoring and if these performance measures were met.

**Sec. 305.** 2005 c 518 s 305 (uncodified) is amended to read as follows:

ENVIRONMENTAL HEARINGS OFFICE

**FOR THE ENVIRONMENTAL HEARINGS OFFICE**

General Fund--State Appropriation (FY 2006) .....	\$1,057,000
General Fund--State Appropriation (FY 2007) .....	<del>(\$1,064,000)</del>
	<u>\$1,066,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$5,000</u>
TOTAL APPROPRIATION .....	<del>(\$2,121,000)</del>
	<u>\$2,128,000</u>

**Sec. 306.** 2005 c 518 s 306 (uncodified) is amended to read as follows:

CONSERVATION COMMISSION

**FOR THE CONSERVATION COMMISSION**

General Fund--State Appropriation (FY 2006) .....	\$2,235,000
General Fund--State Appropriation (FY 2007) .....	<del>(\$2,253,000)</del>
	<u>\$2,256,000</u>
<u>General Fund--Federal Appropriation</u> .....	<u>\$250,000</u>
<u>Water Quality Account--State Appropriation</u> .....	<del>(\$4,175,000)</del>
	<u>\$4,178,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$3,000</u>
TOTAL APPROPRIATION .....	<del>(\$8,663,000)</del>
	<u>\$8,922,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$197,000 of the general fund--state appropriation for fiscal year 2006 and \$197,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action item CC-01.
- (2) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.
- (3) \$100,000 of the general fund--state appropriation for fiscal year 2006 and \$100,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement Substitute House Bill No. 1462 (relating to funding for conservation districts). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

**Sec. 307.** 2005 c 518 s 307 (uncodified) is amended to read as follows:

DEPARTMENT OF FISH AND WILDLIFE

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

General Fund--State Appropriation (FY 2006) .....	<del>(\$45,751,000)</del>
	<u>\$46,666,000</u>
General Fund--State Appropriation (FY 2007) .....	<del>(\$44,545,000)</del>
	<u>\$45,948,000</u>
General Fund--Federal Appropriation .....	<del>(\$42,261,000)</del>
	<u>\$49,100,000</u>
General Fund--Private/Local Appropriation .....	<del>(\$36,025,000)</del>
	<u>\$36,089,000</u>
Off-Road Vehicle Account--State Appropriation .....	\$392,000
Aquatic Lands Enhancement Account--State Appropriation .....	<del>(\$5,813,000)</del>
	<u>\$5,820,000</u>
Recreational Fisheries Enhancement--State Appropriation .....	<del>(\$3,547,000)</del>
	<u>\$3,753,000</u>
Warm Water Game Fish Account--State Appropriation .....	<del>(\$2,898,000)</del>
	<u>\$2,904,000</u>
Eastern Washington Pheasant Enhancement Account--State Appropriation .....	\$750,000
Wildlife Account--State Appropriation .....	<del>(\$62,776,000)</del>
	<u>\$61,709,000</u>
Wildlife Account--Federal Appropriation .....	<del>(\$30,966,000)</del>
	<u>\$33,029,000</u>
Wildlife Account--Private/Local Appropriation .....	<del>(\$10,379,000)</del>
	<u>\$10,386,000</u>
Game Special Wildlife Account--State Appropriation .....	<del>(\$2,147,000)</del>
	<u>\$2,883,000</u>

Game Special Wildlife Account--Federal Appropriation	(( <del>\$8,858,000</del> ))
	<u>\$8,863,000</u>
Game Special Wildlife Account--Private/Local Appropriation	(( <del>\$468,000</del> ))
	<u>\$469,000</u>
Public Safety and Education Account--State Appropriation	\$588,000
Environmental Excellence Account--State Appropriation	\$15,000
Regional Fisheries Salmonid Recovery Account--Federal Appropriation	(( <del>\$1,755,000</del> ))
	<u>\$2,755,000</u>
Oil Spill Prevention Account--State Appropriation	(( <del>\$1,040,000</del> ))
	<u>\$1,043,000</u>
<del>(Recreation Resources Account--State Appropriation)</del>	<del>(\$36,000)</del>
Oyster Reserve Land Account--State Appropriation	\$411,000
<del>(Freshwater Aquatic Algae Control Account--State Appropriation)</del>	<del>(\$750,000)</del>
<u>Aquatic Invasive Species Prevention Account--State Appropriation</u>	<u>\$528,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$248,000</u>
TOTAL APPROPRIATION	(( <del>\$302,171,000</del> ))
	<u>\$314,349,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.

(2) \$1,556,714 of the general fund--state appropriation for fiscal year 2006 and \$1,556,713 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items DFW-01 through DFW-06, DFW-08 through DFW-12, and DFW-16.

(3) \$225,000 of the general fund--state appropriation for fiscal year 2006 and \$225,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of hatchery reform recommendations defined by the hatchery scientific review group.

(4) The department shall support the activities of the aquatic nuisance species coordination committee to foster state, federal, tribal, and private cooperation on aquatic nuisance species issues. The committee shall strive to prevent the introduction of nonnative aquatic species and to minimize the spread of species that are introduced.

(5) The department shall emphasize enforcement of laws related to protection of fish habitat and the illegal harvest of salmon and steelhead. Within the amount provided for the agency, the department shall provide support to the department of health to enforce state shellfish harvest laws.

(6) \$180,000 of the wildlife account--state appropriation is provided solely to test deer and elk for chronic wasting disease and to document the extent of swan lead poisoning. Of this amount, \$65,000 is provided solely to document the extent of swan lead poisoning and to begin environmental cleanup.

(7) The department shall provide quarterly status reports to the office of financial management regarding the replacement of the Washington interactive licensing system and the implementation of the hydraulic permit management system.

(8) The department shall prepare a report detailing the hydraulic permit approval program applications and project types. The department shall coordinate with the office of financial management in determining the contents of the report. At minimum, the report shall include permits by applicant (name, state, local, federal, tribal entity, etc.), project type (pamphlet, minor, medium, major, extension, revision, etc.) and project location (county and water resource inventory area). The department shall submit the report to the office of financial management and legislative fiscal committees no later than September 1, 2006.

(9) \$700,000 of the general fund--federal appropriation is provided solely for environmental data quality and access projects in support of state salmon recovery efforts. The department shall coordinate planning and implementation of all activities with the department of information services and the governor's salmon recovery office. The department shall make certain that any activity using these funds is consistent with recommendations to be submitted (per section 405, chapter 488, Laws of 2005) in the joint report to the legislature and office of financial management on December 1, 2006.

(10) \$100,000 of the general fund--state appropriation for fiscal year 2006 and \$400,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the U.S. Army Corps of Engineers.

~~((+0))~~ (11) \$72,000 of the state wildlife account--state appropriation is provided solely to implement House Bill No. 1211 (multiple season big game permit). If the bill is not enacted by June 30, 2005, the amount provided in this section shall lapse.

~~((+750,000))~~ (12) \$528,000 of the ~~(freshwater aquatic algae control)~~ aquatic invasive species prevention account--state appropriation is provided solely to implement Senate Bill No. 5699 (preventing and controlling aquatic invasive species and algae). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(13) \$703,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to purchase six purse seine and three gill net licenses to meet the provisions of the United States/Canada salmon treaty.

~~((+5))~~ (14) \$10,000 of the general fund--state appropriation for fiscal year 2006 and \$10,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for chum salmon production at Minter creek hatchery.

~~((+6))~~ (15) \$45,000 of the general fund--federal appropriation for fiscal year 2006 and \$45,000 of the general fund--federal appropriation for fiscal year 2007 are provided solely for the management of Canada goose seasons to increase the number of hunting days in southwest Washington.

~~((H7))~~ (16) \$46,000 of the wildlife account--state appropriation is provided solely to increase the number of courses providing the hunter education training program created in RCW 77.32.155. The department shall reduce the current backlog of applicants waiting to take the training program and provide for a stable supply of training program courses in order to avoid future backlogs.

~~((H8))~~ (17) \$481,000 of the wildlife account--state appropriation is provided solely to continued operation of the Naselle Hatchery during the 2005-07 biennium. This will increase production by 3 million Chinook, 1 million Coho, and 30,000 trout.

~~((20))~~ (18) \$223,000 of the wildlife account--state appropriation is provided solely to implement Senate Bill No. 5227 (wildlife harvest reports). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(19) \$50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for federal match funding for the control of predators that damage livestock, crops, and property.

(20) \$85,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the department to produce educational materials discouraging activities that harm or disturb the spawning beds of salmon and steelhead. Discouraged activities include, but are not limited to, wading on spawning beds, driving motor vehicles on spawning beds, use of high-powered jet or propeller-driven boats across spawning beds, dragging anchors through spawning beds, digging or removing gravel from spawning beds, or any other physical disturbance capable of disturbing spawning fish or damaging or destroying nests of incubating eggs.

(a) The educational materials produced by the department in accordance with this subsection must include, at a minimum, brochures that are to be disseminated to persons applying for fishing and boating licenses statewide. The department must also distribute the brochures widely to retail outlets that cater to outdoor recreation.

(b) The department shall work cooperatively with the tribal fishery comanagers in the development of the educational materials under this section.

(c) The department shall report to the legislature concerning the effectiveness of this subsection after at least two spawning cycles of salmon and steelhead have occurred.

(21) Within the amounts appropriated in this section, by December 1, 2006, the department shall:

(a) Submit a report detailing the reductions required by omnibus appropriations acts since 1997 for activities supported by the state wildlife fund;

(b) Submit quarterly revenue and expenditure reports for the state wildlife account based on current revenue forecasts to the office of financial management and the fiscal committees of the legislature; and

(c) Develop a model for forecasting state wildlife account revenues for the next six years. The department shall work with the office of financial management and the department of revenue in developing the model. The forecast shall be provided in an electronic format annually on September 1st to the office of financial management and the fiscal committees of the legislature.

(22) The department shall assist the office of regulatory assistance in implementing activities consistent with the governor's regulatory improvement program. The department shall support and provide expertise to facilitate, coordinate, and simplify citizen and business interactions so as to improve state regulatory processes involving state, local, and federal stakeholders.

(23) \$408,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for fire suppression and remediation activities on department lands and facilities that were impacted during the 2005 fire season. Funding shall be used for seeding, planting vegetation, fertilizing, weed control, and the establishment of water bars and other erosion control measures.

(24) \$153,000 of the general fund--state appropriation for fiscal year 2006 and \$113,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the continued operation of the Nemah, Mossyrock, Omak, Colville, Arlington, and Columbia Basin hatcheries during the 2005-07 biennium. Funding shall be used to offset the increased cost of utilities, fuel, fish feed, and mitigation obligations previously funded from local sources. The department shall consult with the appropriate natural resource and fiscal committees of the legislature prior to submitting a 2007-09 budget proposal that changes current hatchery operations, production, and/or maintenance to the office of financial management. Unless specifically authorized by the legislature, the department shall not close any hatchery facility currently in operation.

~~((H1))~~ (25) \$4,000 of the wildlife account--state appropriation is provided solely to implement House Bill No. 1210 (temporary fishing license). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(26) Within existing appropriations and utilizing all available federal moneys allocated for the crab buy-back program, the department shall develop and implement a crab buy-back program that allows commercial crab fishers the opportunity to sell their licenses back to the state and exit from the crabbing fishery. The department shall report to the office of financial management and the appropriate fiscal committees of the legislature its detailed implementation plan no later than December 1, 2006.

**Sec. 308.** 2005 c 518 s 308 (uncodified) is amended to read as follows:

DEPARTMENT OF NATURAL RESOURCES

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

General Fund--State Appropriation (FY 2006) .....	<del>(\$49,220,000)</del>
	\$40,473,000
General Fund--State Appropriation (FY 2007) .....	<del>(\$43,757,000)</del>
	\$53,517,000
General Fund--Federal Appropriation .....	<del>(\$15,202,000)</del>
	\$15,215,000
General Fund--Private/Local Appropriation .....	<del>(\$1,275,000)</del>
	\$1,276,000
Forest Development Account--State Appropriation .....	<del>(\$54,441,000)</del>
	\$54,697,000
Off-Road Vehicle Account--State Appropriation .....	<del>(\$3,986,000)</del>

	\$4,001,000
Surveys and Maps Account--State Appropriation .....	(( <del>\$2,436,000</del> ))
	\$2,447,000
Aquatic Lands Enhancement Account--State Appropriation .....	(( <del>\$8,344,000</del> ))
	\$8,451,000
Resources Management Cost Account--State Appropriation .....	(( <del>\$85,941,000</del> ))
	\$86,332,000
Surface Mining Reclamation Account--State Appropriation .....	(( <del>\$1,841,000</del> ))
	\$2,098,000
Disaster Response Account--State Appropriation .....	\$5,000,000
Water Quality Account--State Appropriation .....	(( <del>\$2,630,000</del> ))
	\$2,636,000
Aquatic Land Dredged Material Disposal Site Account--State Appropriation .....	(( <del>\$652,000</del> ))
	\$1,321,000
Natural Resources Conservation Areas Stewardship Account--State Appropriation .....	\$34,000
State Toxics Control Account--State Appropriation .....	\$2,155,000
Air Pollution Control Account--State Appropriation .....	(( <del>\$555,000</del> ))
	\$556,000
Derelict Vessel Removal Account--State Appropriation .....	(( <del>\$1,137,000</del> ))
	\$1,138,000
Agricultural College Trust Management Account--State Appropriation .....	(( <del>\$1,962,000</del> ))
	\$1,966,000
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$136,000</u>
TOTAL APPROPRIATION .....	(( <del>\$280,568,000</del> ))
	<u>\$283,449,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) As described in section 129(7) of this act, the department shall make recommendations and report on monitoring activities related to salmon recovery.

(2) \$18,000 of the general fund--state appropriation for fiscal year 2006, \$18,000 of the general fund--state appropriation for fiscal year 2007, and \$1,652,050 of the aquatic lands enhancement account appropriation are provided solely for the implementation of the Puget Sound conservation and recovery plan and agency action items DNR-01 and DNR-02.

(3) \$138,000 of the resource management cost account--state appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1896 (geoduck harvest). If the bill is not enacted by June 30, 2005, the amount in the subsection shall lapse.

(4) (~~(\$953,000)~~) \$972,000 of the general fund--state appropriation for fiscal year 2006 and (~~(\$950,000)~~) \$994,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(5) (~~(\$10,635,000)~~) \$10,689,000 of the general fund--state appropriation for fiscal year 2006, \$13,635,000 of the general fund--state appropriation for fiscal year 2007, and \$5,000,000 of the disaster response account--state appropriation are provided solely for emergency fire suppression. Of these amounts, up to \$250,000 may be expended for staff and other necessary resources to design and implement a fire data-collection system that includes financial- and performance-management information for fires over 10 acres in size.

None of the general fund and disaster response account amounts provided in this subsection may be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts and appropriations.

(6) \$582,000 of the aquatic lands enhancement account appropriation is provided solely for spartina control.

(7) Fees approved by the board of natural resources in the 2005-07 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(8) \$9,000,000 of the general fund--state appropriation for fiscal year (~~2006~~) 2007 and \$2,000,000 of the aquatic lands enhancement account--state appropriation are provided solely for the purposes of settling those claims identified in (~~the consent decree and settlement agreement in~~) U.S., et al. v. State of Washington, et al. Subproceeding No. 89-3 (Shellfish), United States District Court for the Western District of Washington at Seattle, Case No. C70-9213. The expenditure of this appropriation is contingent on ((the release of those claims in this subproceeding. In the event that the federal government does not appropriate \$22,000,000 for this purpose by June 30, 2006;)) a settlement agreement that includes the state of Washington as a party to the agreement which is fully executed by June 29, 2007, and a consent decree entered by June 29, 2007, by the United States District Court for the Western District of Washington settling and releasing the identified treaty claims to harvest shellfish previously negotiated in the settlement agreement. By June 29, 2007, the release of claims associated with the settlement agreement and consent decree must be fully effective and there must be no unfulfilled contingencies that could cause the settlement agreement or consent decree to be vacated at some future date if not fulfilled. In the event that these contingencies are not met, the amounts provided in this subsection shall lapse.

(9) \$2,155,000 of the state toxics account--state appropriation is provided solely for the department to meet its obligations with the U.S. environmental protection agency for the clean-up of Commencement Bay and other sites.

(10) The department shall not develop the Gull Harbor facility without first submitting a master plan to the appropriate committees of the legislature. The plan shall ensure continued public access to the waterfront. The plan shall also examine alternative locations to the Gull Harbor

site that would colocate marine equipment for all state agencies needing water access in Thurston county. The report shall be submitted by December 1, 2006.

(11) \$250,000 of the general fund--state appropriation for fiscal year 2006, \$250,000 of the general fund--state appropriation for fiscal year 2007, and \$500,000 of the resource management cost account--state appropriation are provided solely for a report on the future of Washington forests. The purpose of the report is to examine economic, recreational, and environmental trends influencing the forest products industry and secondary manufacturing sectors in Washington state. The department shall contract with the University of Washington college of forestry resources. The college shall consult with the University of Washington economics department for the section on investment returns from granted lands. The report shall contain the following parts:

(a) An update of the 1992 timber supply study for Washington state that was conducted by the University of Washington. The update may be accomplished by reviewing the most recent similar data available in existing reports, examining a sample of the original 1992 study sample of lands, and through other existing data sources that may reveal relevant trends and changes since 1992.

(b) An independent assessment of the economic contribution of the forest products industry, and secondary manufacturing sectors, to the state. This assessment will also examine some of the macroeconomic trends likely to affect the industry in the future.

(c) A comparison of the competitive position of Washington's forest products industry globally, and with other leading forest products states, or regions, of the United States. This evaluation should compare the relative tax burden for growing and harvesting timber between the states or regions and the relative cost of adhering to regulations, and identify the competitive advantages of each state or region.

(d) An assessment of the trends and dynamics that commercial and residential development play in the conversion of the state's forests to nonforestry uses. The assessment will involve gathering relevant data, reviewing that data, and analyzing the relationship between development and the conversion of forest land uses.

(e) Recommendations on: (i) Policy changes that would enhance the competitive position of Washington's forest products industry in Washington state; (ii) policy changes that would, to the extent possible, ensure that a productive forest land base continues to be managed for forest products, recreation, and environmental and other public benefits into the future; and (iii) policy changes that would enhance the recreational opportunities on working forest lands in the state.

(f) Based on the information derived from (a) through (d) of this subsection, an assessment of the expected rate of return from state granted lands. This section of the reports shall also review reports prepared by the department over the past ten years that describe the investment returns from granted lands. The review of these previous reports shall compare and critique the methodology and indicators used to report investment returns. The review shall recommend appropriate measures of investment returns from granted lands.

(g) Analyze and recommend policies and programs to assist Cascade foothills area landowners and communities in developing and implementing innovative approaches to retaining traditional forestry while at the same time accommodating new uses that strengthen the economic and natural benefits from forest lands. For the purposes of this section, the Cascade foothills area generally encompasses the nonurbanized lands within the Cascade mountain range and drainages lying between three hundred and three thousand feet above mean sea level, and located within Whatcom, Skagit, Snohomish, King, Pierce, Thurston, and Lewis counties.

(12) \$4,000 of the general fund--state appropriation for fiscal year ~~(2005)~~ 2006 and \$4,000 of the general fund--state appropriation for fiscal year ~~(2006)~~ 2007 are provided solely to compensate the forest board trust for a portion of the lease to the Crescent television improvement district consistent with RCW 79.13.520.

(13) The department shall develop a multiyear work plan and schedule for mapping all applicable areas of the state for landslide hazards and earthquake hazards. The work plan and schedule shall be based on a carryforward funding level, and shall be submitted to the office of financial management and to the fiscal committees of the legislature by June 30, 2006.

(14) \$654,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for geologic hazard research, activities, and mapping, including earthquake, landslide, and tsunami hazards.

**Sec. 309.** 2005 c 518 s 309 (uncodified) is amended to read as follows:

DEPARTMENT OF AGRICULTURE

**FOR THE DEPARTMENT OF AGRICULTURE**

General Fund--State Appropriation (FY 2006)	(((\$11,000,000))
	<u>\$11,139,000</u>
General Fund--State Appropriation (FY 2007)	(((\$10,443,000))
	<u>\$11,564,000</u>
General Fund--Federal Appropriation	(((\$10,608,000))
	<u>\$10,634,000</u>
General Fund--Private/Local Appropriation	\$413,000
Aquatic Lands Enhancement Account--State Appropriation	(((\$1,986,000))
	<u>\$1,990,000</u>
Water Quality Account--State Appropriation	(((\$968,000))
	<u>\$972,000</u>
State Toxics Control Account--State Appropriation	(((\$3,416,000))
	<u>\$3,555,000</u>
Water Quality Permit Account--State Appropriation	\$238,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$39,000</u>
TOTAL APPROPRIATION	(((\$39,072,000))
	<u>\$40,544,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$37,000 of the general fund--state appropriation for fiscal year 2006 and \$37,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for implementation of the Puget Sound conservation and recovery plan and agency action item WSDA-01.
- (2) Fees and assessments approved by the department in the 2005-07 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.
- (3) Within funds appropriated in this section, the department, in addition to the authority provided in RCW 17.26.007, may enter into agreements with federal agencies to eradicate spartina from private lands that may provide a source of reinfestation to public lands.
- (4) \$36,000 of the general fund--state appropriation for fiscal year 2006 and \$37,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for an economic impact study of fairs in the state of Washington.
- (5) \$12,000 of the general fund--state appropriation for fiscal year 2006 and \$13,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for indemnity payments for poultry that are ordered by the department to be slaughtered or destroyed.
- (6) \$250,000 of the general fund--state appropriation for fiscal year 2006 and \$250,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for market promotion and trade barrier grants.
- (7) \$75,000 of the general fund--state appropriation for fiscal year 2006 and \$75,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the small farm and direct marketing program.
- (8) \$466,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to complete a database application that would consolidate program information and enable the department to more effectively respond to a food safety or animal disease emergency.
- (9) \$150,000 of the general fund--state appropriation for fiscal year 2006 and \$150,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement the Washington wine brand campaign.
- (10) The department shall consult with affected agricultural industries before fees for fruit and vegetable inspections may be raised. The consultation shall include a review of current inspection services, the cost of providing those services, and the discontinuation of unnecessary services.
- (11) \$85,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Substitute House Bill No. 3033 (animal identification). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.
- (12) \$30,000 of the general fund--state appropriation for fiscal year 2006 and \$110,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement Engrossed Substitute House Bill No. 2738 (renewable fuel). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.
- (13) \$100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to support noxious weed boards.
- (14) \$500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the purchase of agricultural products equipment. The department shall negotiate an appropriate agreement with the agriculture industry for the use of the equipment.
- (15) \$50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for spartina eradication efforts.

**Sec. 310.** 2005 c 518 s 310 (uncodified) is amended to read as follows:

<b>WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM</b>	
<b>FOR THE WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM</b>	
Pollution Liability Insurance Program Trust Account--State Appropriation .....	(( <del>\$861,000</del> ))
	<u>\$864,000</u>

**PART IV  
TRANSPORTATION**

**Sec. 401.** 2005 c 518 s 401 (uncodified) is amended to read as follows:

<b>DEPARTMENT OF LICENSING</b>	
<b>FOR THE DEPARTMENT OF LICENSING</b>	
General Fund--State Appropriation (FY 2006) .....	(( <del>\$1,886,000</del> ))
	<u>\$1,537,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$1,787,000</del> ))
	<u>\$1,558,000</u>
Architects' License Account--State Appropriation .....	(( <del>\$728,000</del> ))
	<u>\$715,000</u>
Cemetery Account--State Appropriation .....	(( <del>\$224,000</del> ))
	<u>\$220,000</u>
Professional Engineers' Account--State Appropriation .....	(( <del>\$3,179,000</del> ))
	<u>\$3,217,000</u>
Real Estate Commission Account--State Appropriation .....	(( <del>\$7,583,000</del> ))
	<u>\$7,605,000</u>
Master License Account--State Appropriation .....	(( <del>\$11,593,000</del> ))
	<u>\$11,563,000</u>
Uniform Commercial Code Account--State Appropriation .....	(( <del>\$2,936,000</del> ))
	<u>\$2,861,000</u>
Real Estate Education Account--State Appropriation .....	\$275,000
Real Estate Appraiser Commission Account--State Appropriation .....	(( <del>\$1,345,000</del> ))

	\$1,566,000
Business and Professions Account--State Appropriation	(((\$7,927,000))
	<u>\$9,611,000</u>
Real Estate Research Account--State Appropriation	(((\$301,000))
	<u>\$321,000</u>
<del>(Wildlife Account--State Appropriation</del>	<del>-\$13,000)</del>
Funeral Directors and Embalmers Account--State Appropriation	(((\$534,000))
	<u>\$531,000</u>
Geologists' Account--State Appropriation	(((\$34,000))
	<u>\$47,000</u>
Data Processing Revolving Account--State Appropriation	\$29,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$30,000</u>
TOTAL APPROPRIATION	(((\$40,405,000))
	<u>\$41,717,000</u>

(1) The appropriations in this section are subject to the following conditions and limitations: In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2005-07 fiscal biennium. Pursuant to RCW 43.135.055, during the 2005-07 fiscal biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs.

(2) \$7,685,000 of the business and professions account--state appropriation is subject to enactment of Substitute House Bill No. 1394 (business and professions account). If the bill is not enacted by June 30, 2005, the appropriations out of this account shall be made from the general fund.

(3) \$1,653,000 of the master license account--state appropriation is subject to enactment of House Bill No. 2131 (master licensing service). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(4) \$34,000 of the general fund--state appropriation for fiscal year 2006 are subject to enactment of House Bill No. 1241 (vehicle licensing and registration). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(5) \$180,000 of the real estate appraiser commission account--state appropriation is provided solely to implement Senate Bill No. 5274 (real estate appraisers). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(6) \$56,000 of the business and professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 2596 (cosmetology apprenticeship). If the bill is not enacted by June 30, 2006, the amount provided for in this subsection shall lapse.

**Sec. 402.** 2005 c 518 s 402 (uncodified) is amended to read as follows:

STATE PATROL

**FOR THE STATE PATROL**

General Fund--State Appropriation (FY 2006)	(((\$36,089,000))
	<u>\$37,601,000</u>
General Fund--State Appropriation (FY 2007)	(((\$30,702,000))
	<u>\$31,128,000</u>
General Fund--Federal Appropriation	(((\$4,356,000))
	<u>\$4,364,000</u>
General Fund--Private/Local Appropriation	(((\$595,000))
	<u>\$596,000</u>
Death Investigations Account--State Appropriation	(((\$5,615,000))
	<u>\$4,628,000</u>
Public Safety and Education Account--State Appropriation	(((\$4,941,000))
	<u>\$4,963,000</u>
Enhanced 911 Account--State Appropriation	\$573,000
County Criminal Justice Assistance Account--State Appropriation	(((\$2,883,000))
	<u>\$2,895,000</u>
Municipal Criminal Justice Assistance Account--State Appropriation	(((\$1,154,000))
	<u>\$1,157,000</u>
Fire Service Trust Account--State Appropriation	\$131,000
Fire Service Training Account--State Appropriation	(((\$7,550,000))
	<u>\$7,560,000</u>
State Toxics Control Account--State Appropriation	(((\$468,000))
	<u>\$469,000</u>
Violence Reduction and Drug Enforcement Account--State Appropriation	\$313,000
Fingerprint Identification Account--State Appropriation	(((\$6,257,000))
	<u>\$6,270,000</u>

Disaster Response Account--State Appropriation .....	\$2,000
<del>((DNA Data Base Account--State Appropriation .....</del>	<del>\$150,000</del>
<del>Aquatic Invasive Species Prevention Account--State Appropriation .....</del>	<del>\$222,000))</del>
<u>Aquatic Invasive Species Enforcement Account--State Appropriation .....</u>	<u>\$145,000</u>
<u>Pension Funding Stabilization Account--State Appropriation .....</u>	<u>\$102,000</u>
TOTAL APPROPRIATION .....	<del>(\$102,001,000))</del>
	<u>\$102,897,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$200,000 of the fire service training account--state appropriation is provided solely for two FTEs in the office of state fire marshal to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(2) ~~(\$222,000))~~ \$145,000 of the aquatic invasive species ~~((prevention))~~ enforcement account--state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5699 (aquatic invasive species). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(3) \$250,000 of the general fund--state appropriation for fiscal year 2006 ~~((ts))~~ and \$240,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of Engrossed House Bill No. 1241 (vehicle licensing and registration). If the bill is not enacted by June 30, 2005, the amount provided in this subsection shall lapse.

(4) \$395,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of section 5 of Second Substitute House Bill No. 2805 (missing persons). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

**PART V  
EDUCATION**

**Sec. 501.** 2005 c 518 s 501 (uncodified) is amended to read as follows:  
SUPERINTENDENT OF PUBLIC INSTRUCTION  
**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2006) .....	<del>(\$12,946,000))</del>
	<u>\$13,452,000</u>
General Fund--State Appropriation (FY 2007) .....	<del>(\$12,870,000))</del>
	<u>\$17,117,000</u>
General Fund--Federal Appropriation .....	<del>(\$30,248,000))</del>
	<u>\$23,090,000</u>
TOTAL APPROPRIATION .....	<del>(\$56,064,000))</del>
	<u>\$53,659,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(a) ~~(\$10,836,000))~~ \$10,835,000 of the general fund--state appropriation for fiscal year 2006 and ~~(\$10,910,000))~~ \$10,980,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award. The students selected for the award must demonstrate understanding through completion of at least one of the classroom-based civics assessment models developed by the superintendent of public instruction, and through leadership in the civic life of their communities. The superintendent shall select two students from eastern Washington and two students from western Washington to receive the award, and shall notify the governor and legislature of the names of the recipients.

(b) \$428,000 of the general fund--state appropriation for fiscal year 2006 and ~~(\$428,000))~~ \$547,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(c) \$509,000 of the general fund--state appropriation for fiscal year 2006 and \$504,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the Washington professional educator standards board. Within the amounts provided in this subsection, the Washington professional educator standards board shall pursue the implementation of recent study recommendations including: (i) Revision of teacher mathematics endorsement competencies and alignment of teacher tests to the updated competencies, and (ii) development of mathematics specialist endorsement.

(d) ~~(\$100,000))~~ \$607,000 of the general fund--state appropriation for fiscal year 2006 ~~((ts))~~ and \$592,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for increased attorney general fees related to *School Districts' Alliance for Adequate Funding of Special Education et al. v. State of Washington et al.*, Thurston County Superior Court Cause No. 04-2-02000-7.

(e) \$950,000 of the general fund--state appropriation for fiscal year 2006 and \$950,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for replacement of the apportionment system, which includes the processes that collect school district budget and expenditure information, staffing characteristics, and the student enrollments that drive the funding process.

(f)(i) \$45,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for the office of the superintendent of public instruction and the department of health to collaborate and develop a work group to assess school nursing services in class I school districts. The work group shall consult with representatives from the following groups: School nurses, schools, students, parents, teachers, health officials, and administrators. The work group shall:

(A) Study the need for additional school nursing services by gathering data about current school nurse-to-student ratios in each class I school district and assessing the demand for school nursing services by acuity levels and the necessary skills to meet those demands. The work group also shall recommend to the legislature best practices in school nursing services, including a dedicated, sustainable funding model that would best meet the current and future needs of Washington's schools and contribute to greater academic success of all students. The work group shall make recommendations for school nursing services, and may examine school nursing services by grade level. The work group shall assess whether funding for school nurses should continue as part of basic education; and

(B) In collaboration with managed care plans that contract with the department of social and health services medical assistance administration to provide health services to children participating in the medicaid and state children's health insurance program, identify opportunities to improve coordination of and access to health services for low-income children through the use of school nurse services. The work group shall evaluate the feasibility of pooling school district and managed care plan funding to finance school nurse positions in school districts with high numbers of low-income children.

(ii) The office of superintendent of public instruction shall report the work group's findings and plans for implementation to the legislature by February 1, 2006.

(g) \$78,000 of the general fund--state appropriation for fiscal year 2006 and \$78,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to provide direct services and support to schools around an integrated, interdisciplinary approach to instruction in conservation, natural resources, sustainability, and human adaptation to the environment. Specific integration efforts will focus on science, math, and the social sciences. Integration between basic education and career and technical education, particularly agricultural and natural sciences education, is to be a major element.

(h) \$2,896,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the creation of a statewide data base of longitudinal student information. This amount is conditioned on the department satisfying the requirements in section 902, chapter 518, Laws of 2005.

(i) \$425,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for comprehensive cultural competence and anti-bias education programs for educators and students. The office of superintendent of public instruction shall administer grants to school districts with the assistance and input of groups such as the anti-defamation league and the Jewish federation of Seattle.

(j) \$50,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for additional efforts at promoting financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(k) \$80,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the office of the superintendent of public instruction (OSPI) to conduct an inventory of kindergarten readiness assessments and instruments used in schools around the country, as well as those recommended by experts and pertinent research studies. The inventory shall be done in collaboration with early learning efforts in the office of the governor, and shall involve collaboration with experts representing a diverse range of cultural and ethnic backgrounds, including representatives from federally recognized tribes. The inventory shall address the extent to which readiness assessments and instruments respond to the unique learning needs of all children. After completing the inventory, the OSPI shall recommend to the legislature, for statewide adoption, an array of comparable, culturally appropriate assessments or instruments that measure children's readiness to learn in math and reading, and a method for statewide data collection that will allow for analysis and measurement of trends over time. A report containing findings and recommendations on these issues shall be delivered to the education committees of the legislature by December 1, 2006.

(l) \$15,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Engrossed House Bill No. 2910 (environmental education). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(m) \$47,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Engrossed House Bill No. 2579 (educational assessments). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(n) \$7,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the implementation of Substitute House Bill No. 2973 (career and technical high school). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(2) STATEWIDE PROGRAMS

General Fund--State Appropriation (FY 2006) .....	(((\$10,192,000)) \$16,693,000
General Fund--State Appropriation (FY 2007) .....	(((\$10,155,000)) \$15,702,000
General Fund--Federal Appropriation .....	(((\$47,465,000)) \$58,112,000
TOTAL APPROPRIATION .....	(((\$67,812,000)) \$90,507,000

The appropriations in this subsection are provided solely for the statewide programs specified in this subsection and are subject to the following conditions and limitations:

(a) HEALTH AND SAFETY

(i) A maximum of \$2,541,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of \$2,541,000 of the general fund--state appropriation for fiscal year 2007 are provided for a corps of nurses located at educational service districts, as determined by the

superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(ii) A maximum of \$96,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of \$96,000 of the general fund--state appropriation for fiscal year 2007 are provided for the school safety center in the office of the superintendent of public instruction subject to the following conditions and limitations:

(A) The safety center shall: Disseminate successful models of school safety plans and cooperative efforts; provide assistance to schools to establish a comprehensive safe school plan; select models of cooperative efforts that have been proven successful; act as an information dissemination and resource center when an incident occurs in a school district either in Washington or in another state; coordinate activities relating to school safety; review and approve manuals and curricula used for school safety models and training; and develop and maintain a school safety information web site.

(B) The school safety center advisory committee shall develop a training program, using the best practices in school safety, for all school safety personnel.

(iii) A maximum of \$100,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of \$100,000 of the general fund--state appropriation for fiscal year 2007 are provided for a school safety training program provided by the criminal justice training commission. The commission, in collaboration with the school safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel, including school safety personnel hired after the effective date of this section.

(iv) \$40,000 of the general fund--state appropriation is provided solely for the safety center advisory committee to develop and distribute a pamphlet to promote internet safety for children, particularly in grades seven through twelve. The pamphlet shall be posted on the superintendent of public instruction's web site. To the extent possible, the pamphlet shall be distributed in schools throughout the state and in other areas accessible to youth, including but not limited to libraries and community centers.

(v) (~~(\$11,600,000)~~) \$10,344,000 of the general fund--federal appropriation is provided for safe and drug free schools and communities grants for drug and violence prevention activities and strategies and \$1,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for one-time backfill of the federal reductions to the safe and drug free schools and communities grant program.

(vi) A maximum of \$146,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of \$146,000 of the general fund--state appropriation for fiscal year 2007 are provided for a nonviolence and leadership training program provided by the institute for community leadership. The program shall provide a request for proposal process, with up to 80 percent funding, for nonviolence leadership workshops serving at least 12 school districts with direct programming in 36 elementary, middle, and high schools throughout Washington state.

(b) TECHNOLOGY

A maximum of \$1,939,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of \$1,939,000 of the general fund--state appropriation for fiscal year 2007 are provided for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(c) GRANTS AND ALLOCATIONS

(i) \$787,000 of the fiscal year 2006 appropriation and \$799,000 of the fiscal year 2007 appropriation are provided solely for the special services pilot projects. The office of the superintendent of public instruction shall allocate these funds to the district or districts participating in the pilot program according to the provisions of RCW 28A.630.015.

(ii) A maximum of \$548,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of (~~(\$548,000)~~) \$803,000 of the general fund--state appropriation for fiscal year 2007 are (~~(provided)~~) for alternative certification routes. Funds may be used by the professional educator standards board to continue existing alternative-route grant programs and to create new alternative-route programs in regions of the state with service shortages. Of this amount, \$255,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Substitute House Bill No. 2989 (teach math-science program). If this bill is not enacted by June 30, 2006, this amount shall lapse.

(iii) A maximum of \$31,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of \$31,000 of the general fund--state appropriation for fiscal year 2007 are provided for operation of the Cispus environmental learning center.

(iv) A maximum of \$1,224,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of \$1,224,000 of the general fund--state appropriation for fiscal year 2007 are provided for in-service training and educational programs conducted by the Pacific Science Center.

(v) A maximum of \$1,079,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of \$1,079,000 of the general fund--state appropriation for fiscal year 2007 are provided for the Washington state leadership assistance for science education reform (LASER) regional partnership coordinated at the Pacific Science Center.

(vi) A maximum of \$97,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of \$97,000 of the general fund--state appropriation for fiscal year 2007 are provided to support vocational student leadership organizations.

(vii) A maximum of \$146,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of \$146,000 of the general fund--state appropriation for fiscal year 2007 are provided for the Washington civil liberties education program.

(viii) \$1,000,000 of the general fund--state appropriation for fiscal year 2006 and \$1,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Washington state achievers scholarship program. The funds shall be used to support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars.

(ix) (~~(\$1,521,000)~~) \$1,911,000 of the general fund--federal appropriation is provided for the advanced placement fee program to increase opportunities for low-income students and under-represented populations to participate in advanced placement courses and to increase the capacity of schools to provide advanced placement courses to students.

(x) ~~(\$8,292,000)~~ \$5,532,000 of the general fund--federal appropriation is provided for comprehensive school reform demonstration projects to provide grants to low-income schools for improving student achievement through adoption and implementation of research-based curricula and instructional programs.

(xi) ~~(\$19,587,000)~~ \$24,490,000 of the general fund--federal appropriation is provided for 21st century learning center grants, providing after-school and inter-session activities for students.

(xii) \$383,000 of the general fund--state appropriation for fiscal year 2006 and \$294,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Lorraine Wojahn dyslexia pilot reading program in up to five school districts.

(xiii) \$75,000 of the general fund--state appropriation for fiscal year 2006 and \$75,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for developing and disseminating curriculum and other materials documenting women's role in World War II.

(xiv) \$257,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Second Substitute House Bill No. 2789. If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(xv) \$3,980,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the dissemination of the Navigation 101 curriculum to all districts, including the development and dissemination of electronic student planning tools and the development of a software package to use to analyze the impact of the implementation of Navigation 101 on student performance, and grants to at least one hundred school districts for the implementation of the Navigation 101 program. The implementation grants will be limited to a maximum of two years and the school districts selected shall represent various regions of the state and reflect differences in school district size and enrollment characteristics.

(xvi) \$6,500,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for one-time grants to school districts to offset extraordinary rate increases for natural gas.

**Sec. 502.** 2005 c 518 s 502 (uncodified) is amended to read as follows:

SUPERINTENDENT OF PUBLIC INSTRUCTION-- GENERAL APPORTIONMENT

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT**

General Fund--State Appropriation (FY 2006) .....	<del>(\$4,180,957,000)</del>
	<u>\$4,193,442,000</u>
General Fund--State Appropriation (FY 2007) .....	<del>(\$4,243,010,000)</del>
	<u>\$4,281,383,000</u>
TOTAL APPROPRIATION .....	<del>(\$8,423,967,000)</del>
	<u>\$8,474,825,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for certificated staff salaries for the 2005-06 and 2006-07 school years shall be determined using formula-generated staff units calculated pursuant to this subsection. Staff allocations for small school enrollments in (d) through (f) of this subsection shall be reduced for vocational full-time equivalent enrollments. Staff allocations for small school enrollments in grades K-6 shall be the greater of that generated under (a) of this subsection, or under (d) and (e) of this subsection. Certificated staffing allocations shall be as follows:

(a) On the basis of each 1,000 average annual full-time equivalent enrollments, excluding full-time equivalent enrollment otherwise recognized for certificated staff unit allocations under (c) through (f) of this subsection:

- (i) Four certificated administrative staff units per thousand full-time equivalent students in grades K-12;
- (ii) 49 certificated instructional staff units per thousand full-time equivalent students in grades K-3;
- (iii) Forty-six certificated instructional staff units per thousand full-time equivalent students in grades 4-12; and
- (iv) An additional 4.2 certificated instructional staff units for grades K-3 and an additional 7.2 certificated instructional staff units for grade 4.

Any funds allocated for the additional certificated units provided in this subsection (iv) shall not be considered as basic education funding;

(A) Funds provided under this subsection (2)(a)(iv) in excess of the amount required to maintain the statutory minimum ratio established under RCW 28A.150.260(2)(b) shall be allocated only if the district documents an actual ratio in grades K-4 equal to or greater than 53.2 certificated instructional staff per thousand full-time equivalent students. For any school district documenting a lower certificated instructional staff ratio, the allocation shall be based on the district's actual grades K-4 certificated instructional staff ratio achieved in that school year, or the statutory minimum ratio established under RCW 28A.150.260(2)(b), if greater;

(B) Districts at or above 51.0 certificated instructional staff per one thousand full-time equivalent students in grades K-4 may dedicate up to 1.3 of the 53.2 funding ratio to employ additional classified instructional assistants assigned to basic education classrooms in grades K-4. For purposes of documenting a district's staff ratio under this section, funds used by the district to employ additional classified instructional assistants shall be converted to a certificated staff equivalent and added to the district's actual certificated instructional staff ratio. Additional classified instructional assistants, for the purposes of this subsection, shall be determined using the 1989-90 school year as the base year;

(C) Any district maintaining a ratio in grades K-4 equal to or greater than 53.2 certificated instructional staff per thousand full-time equivalent students may use allocations generated under this subsection (2)(a)(iv) in excess of that required to maintain the minimum ratio established under RCW 28A.150.260(2)(b) to employ additional basic education certificated instructional staff or classified instructional assistants in grades 5-6. Funds allocated under this subsection (2)(a)(iv) shall only be expended to reduce class size in grades K-6. No more than 1.3 of the certificated instructional funding ratio amount may be expended for provision of classified instructional assistants;

(b) For school districts with a minimum enrollment of 250 full-time equivalent students whose full-time equivalent student enrollment count in a given month exceeds the first of the month full-time equivalent enrollment count by 5 percent, an additional state allocation of 110

percent of the share that such increased enrollment would have generated had such additional full-time equivalent students been included in the normal enrollment count for that particular month;

(c)(i) On the basis of full-time equivalent enrollment in:

(A) Vocational education programs approved by the superintendent of public instruction, a maximum of 0.92 certificated instructional staff units and 0.08 certificated administrative staff units for each 19.5 full-time equivalent vocational students; and

(B) Skills center programs meeting the standards for skills center funding established in January 1999 by the superintendent of public instruction with a waiver allowed for skills centers in current operation that are not meeting this standard until the 2007-08 school year, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students;

(ii) Vocational full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported vocational enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support; and

(iii) Indirect cost charges by a school district to vocational-secondary programs shall not exceed 15 percent of the combined basic education and vocational enhancement allocations of state funds;

(d) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the state board of education and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(e) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the state board of education:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(f) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full time equivalent students.

Units calculated under (f)(ii) of this subsection shall be reduced by certificated staff units at the rate of forty-six certificated instructional staff units and four certificated administrative staff units per thousand vocational full-time equivalent students;

(g) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit; and

(h) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit.

(3) Allocations for classified salaries for the 2005-06 and 2006-07 school years shall be calculated using formula-generated classified staff units determined as follows:

(a) For enrollments generating certificated staff unit allocations under subsection (2)(d) through (h) of this section, one classified staff unit for each three certificated staff units allocated under such subsections;

(b) For all other enrollment in grades K-12, including vocational full-time equivalent enrollments, one classified staff unit for each sixty average annual full-time equivalent students; and

(c) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit.

(4) Fringe benefit allocations shall be calculated at a rate of ~~((10.90))~~ 11.21 percent in the 2005-06 school year and ~~((11.90))~~ 11.73 percent in the 2006-07 school year for certificated salary allocations provided under subsection (2) of this section, and a rate of ~~((14.57))~~ 14.07 percent in the 2005-06 school year and ~~((15.82))~~ 15.08 percent in the 2006-07 school year for classified salary allocations provided under subsection (3) of this section.

(5) Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504(2) of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsection (2) of this section; and

(b) The number of classified staff units determined in subsection (3) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of \$9,112 per certificated staff unit in the 2005-06 school year and a maximum of (~~(\$9,285)~~) \$9,476 per certificated staff unit in the 2006-07 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(A) of this section, there shall be provided a maximum of \$22,377 per certificated staff unit in the 2005-06 school year and a maximum of (~~(\$22,802)~~) \$23,272 per certificated staff unit in the 2006-07 school year.

(c) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(B) of this section, there shall be provided a maximum of \$17,362 per certificated staff unit in the 2005-06 school year and a maximum of (~~(\$17,692)~~) \$18,056 per certificated staff unit in the 2006-07 school year.

(7) Allocations for substitute costs for classroom teachers shall be distributed at a maintenance rate of \$531.09 for the 2005-06 and 2006-07 school years per allocated classroom teachers exclusive of salary increase amounts provided in section 504 of this act. Solely for the purposes of this subsection, allocated classroom teachers shall be equal to the number of certificated instructional staff units allocated under subsection (2) of this section, multiplied by the ratio between the number of actual basic education certificated teachers and the number of actual basic education certificated instructional staff reported statewide for the prior school year.

(8) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(9) The superintendent may distribute a maximum of (~~(\$7,621,000)~~) \$8,496,800 outside the basic education formula during fiscal years 2006 and 2007 as follows:

(a) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW, a maximum of \$513,000 may be expended in fiscal year 2006 and a maximum of (~~(\$523,000)~~) \$534,000 may be expended in fiscal year 2007;

(b) For summer vocational programs at skills centers, a maximum of \$2,035,000 may be expended for the 2006 fiscal year and a maximum of \$2,035,000 for the 2007 fiscal year;

(c) A maximum of (~~(\$365,000)~~) \$369,000 may be expended for school district emergencies;

(d) A maximum of \$485,000 each fiscal year may be expended for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs; and

(e) \$394,000 of the general fund--state appropriation for fiscal year 2006 and (~~(\$787,000)~~) \$1,647,200 of the general fund--state appropriation for fiscal year 2007 are provided solely for incentive grants to encourage school districts to increase enrollment in vocational skills centers. Up to \$500 for each full-time equivalent student may be proportionally distributed to a school district or school districts increasing skills centers enrollment above the levels in the 2004-05 school year. The office of the superintendent of public instruction shall develop criteria for awarding incentive grants pursuant to this subsection. (~~(The total amount allocated pursuant to this subsection shall be limited to \$1,181,000 for the 2005-07 biennium--))~~ Funds provided in this subsection shall first be expended to provide incentive grants to school districts that increase skills center enrollment during the school year. If funds are available after making these allocations, funds may be distributed for: (i) Increasing enrollment including allowing up to an additional .2 full time equivalent student enrollment at skills centers; and (ii) capacity of summer vocational programs at the skills centers.

(10) For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 5.2 percent from the 2004-05 school year to the 2005-06 school year and (~~(3.4)~~) 5.2 percent from the 2005-06 school year to the 2006-07 school year.

(11) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (2)(b) through (h) of this section, the following shall apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (2)(a) through (h) of this section shall be reduced in increments of twenty percent per year.

**Sec. 503.** 2005 c 518 s 503 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION.** (1) The following calculations determine the salaries used in the general fund allocations for certificated instructional, certificated administrative, and classified staff units under section 502 of this act:

(a) Salary allocations for certificated instructional staff units shall be determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 12E by the district's average staff mix factor for certificated instructional staff in that school year, computed using LEAP Document 1Sb; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district shall be based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 12E.

(2) For the purposes of this section:

(a) "LEAP Document 1Sb" means the computerized tabulation establishing staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on ~~((March 18, 2005, at 10:00))~~ February 19, 2006, at 21:30 hours; and

(b) "LEAP Document 12E" means the computerized tabulation of 2005-06 and 2006-07 school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on ~~((April 6, 2005, at 10:00))~~ February 19, 2006, at 21:30 hours.

(3) Incremental fringe benefit factors shall be applied to salary adjustments at a rate of ~~((10.26))~~ 10.57 percent for school year 2005-06 and ~~((11.26))~~ 11.09 percent for school year 2006-07 for certificated staff and for classified staff ~~((11.07))~~ 10.57 percent for school year 2005-06 and ~~((12.32))~~ 11.58 percent for the 2006-07 school year.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

K-12 Salary Allocation Schedule For Certificated Instructional Staff  
2005-06 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	30,383	31,204	32,054	32,906	35,640	37,401	36,426	39,161	40,924
1	30,792	31,624	32,485	33,375	36,137	37,889	36,831	39,594	41,345
2	31,181	32,022	32,892	33,850	36,605	38,375	37,239	39,994	41,764
3	31,583	32,431	33,311	34,299	37,049	38,861	37,626	40,373	42,187
4	31,977	32,862	33,747	34,770	37,536	39,361	38,031	40,796	42,623
5	32,384	33,273	34,167	35,247	38,002	39,864	38,442	41,199	43,061
6	32,802	33,672	34,596	35,729	38,472	40,344	38,864	41,607	43,478
7	33,536	34,420	35,356	36,551	39,334	41,258	39,655	42,437	44,362
8	34,612	35,543	36,502	37,796	40,616	42,611	40,899	43,720	45,714
9		36,707	37,713	39,054	41,940	44,002	42,156	45,044	47,106
10			38,938	40,376	43,301	45,432	43,479	46,405	48,535
11				41,737	44,726	46,900	44,840	47,830	50,003
12				43,055	46,189	48,428	46,255	49,292	51,532
13					47,688	49,993	47,720	50,791	53,096
14					49,194	51,618	49,227	52,396	54,721
15					50,474	52,961	50,507	53,758	56,144
16 or more					51,483	54,019	51,517	54,833	57,266

~~((K-12 Salary Allocation Schedule For Certificated Instructional Staff~~  
~~2006-07 School Year~~

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	30,900	31,735	32,599	33,466	36,247	38,038	37,046	39,827	41,620
1	31,316	32,162	33,038	33,942	36,752	38,534	37,458	40,268	42,048
2	31,712	32,566	33,451	34,426	37,228	39,028	37,873	40,674	42,475
3	32,121	32,983	33,878	34,883	37,679	39,523	38,266	41,060	42,905
4	32,521	33,421	34,321	35,362	38,174	40,031	38,678	41,491	43,348
5	32,935	33,840	34,748	35,846	38,649	40,543	39,097	41,900	43,794
6	33,360	34,245	35,185	36,337	39,127	41,031	39,526	42,315	44,218
7	34,107	35,005	35,957	37,173	40,003	41,960	40,330	43,159	45,116
8	35,201	36,148	37,123	38,439	41,307	43,336	41,594	44,464	46,492
9		37,332	38,355	39,718	42,654	44,751	42,873	45,810	47,908
10			39,601	41,063	44,038	46,205	44,219	47,194	49,361
11				42,448	45,487	47,698	45,603	48,644	50,853
12				43,788	46,975	49,252	47,042	50,131	52,409
13					48,499	50,844	48,532	51,655	54,000
14					50,031	52,496	50,065	53,287	55,652
15					51,333	53,862	51,366	54,673	57,099
16 or more					52,359	54,938	52,393	55,766	58,241

K-12 Salary Allocation Schedule For Certificated Instructional Staff  
2006-07 School Year

Years of

MA+90

<u>Service</u>	<u>BA</u>	<u>BA+15</u>	<u>BA+30</u>	<u>BA+45</u>	<u>BA+90</u>	<u>BA+135</u>	<u>MA</u>	<u>MA+45</u>	<u>or PHD</u>
0	31,233	32,077	32,951	33,827	36,637	38,448	37,446	40,257	42,069
1	31,653	32,509	33,394	34,308	37,148	38,949	37,862	40,702	42,502
2	32,054	32,917	33,812	34,797	37,629	39,448	38,281	41,113	42,932
3	32,467	33,338	34,243	35,259	38,086	39,949	38,678	41,503	43,367
4	32,871	33,782	34,691	35,743	38,586	40,463	39,095	41,938	43,816
5	33,290	34,204	35,123	36,233	39,065	40,980	39,518	42,352	44,266
6	33,719	34,614	35,564	36,729	39,548	41,473	39,952	42,771	44,694
7	34,475	35,383	36,345	37,574	40,435	42,412	40,764	43,624	45,603
8	35,580	36,538	37,523	38,853	41,753	43,803	42,043	44,943	46,993
9	35,580	37,734	38,768	40,146	43,113	45,234	43,335	46,304	48,424
10	35,580	37,734	40,028	41,506	44,512	46,703	44,696	47,703	49,893
11	35,580	37,734	40,028	42,905	45,977	48,212	46,095	49,168	51,401
12	35,580	37,734	40,028	44,260	47,481	49,783	47,549	50,671	52,973
13	35,580	37,734	40,028	44,260	49,022	51,392	49,055	52,212	54,582
14	35,580	37,734	40,028	44,260	50,570	53,062	50,604	53,862	56,252
15	35,580	37,734	40,028	44,260	51,886	54,442	51,920	55,262	57,715
16	35,580	37,734	40,028	44,260	52,923	55,530	52,958	56,367	58,869
17	35,580	37,734	40,028	44,260	52,923	55,530	52,958	56,367	58,869
18	35,580	37,734	40,028	44,260	52,923	55,530	52,958	56,367	58,869
19	35,580	37,734	40,028	44,260	52,923	55,530	52,958	56,367	58,869
20	35,580	37,734	40,028	44,260	52,923	55,530	52,958	56,367	58,869
21	35,580	37,734	40,028	44,260	52,923	55,530	52,958	56,367	58,869
22	35,580	37,734	40,028	44,260	52,923	55,530	52,958	56,367	58,869
23	35,580	37,734	40,028	44,260	52,923	55,530	52,958	56,367	58,869
24	35,580	37,734	40,028	44,260	52,923	55,530	52,958	56,367	58,869
25	35,936	38,111	40,428	44,703	53,452	56,085	53,488	56,931	59,458

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

- (i) Credits earned since receiving the masters degree; and
- (ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

- (a) "BA" means a baccalaureate degree.
- (b) "MA" means a masters degree.
- (c) "PHD" means a doctorate degree.
- (d) "Years of service" shall be calculated under the same rules adopted by the superintendent of public instruction.
- (e) "Credits" means college quarter hour credits and equivalent in-service credits computed in accordance with RCW 28A.415.020 and 28A.415.023.

(6) No more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in this act, or any replacement schedules and documents, unless:

- (a) The employee has a masters degree; or
- (b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The certificated instructional staff base salary specified for each district in LEAP Document 12E and the salary schedules in subsection (4)(a) of this section include two learning improvement days for the 2005-06 school year and two learning improvement days for 2006-07 school year. A school district is eligible for the learning improvement day funds only if the learning improvement days have been added to the 180-day contract year. If fewer days are added, the additional learning improvement allocation shall be adjusted accordingly. The additional days shall be limited to specific activities identified in the state required school improvement plan related to improving student learning that are consistent with education reform implementation, and shall not be considered part of basic education. The principal in each school shall assure that the days are used to provide the necessary school-wide, all staff professional development that is tied directly to the school improvement plan. The school principal and the district superintendent shall maintain documentation as to their approval of these activities. The length of a learning improvement day shall not be less than the length of a full day under the base contract. The superintendent of public instruction shall ensure that school districts adhere to the intent and purposes of this subsection.

(8) The salary allocation schedules established in this section are for allocation purposes only except as provided in RCW 28A.400.200(2) and subsection (7) of this section.

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

General Fund--State Appropriation (FY 2006)	(( <del>\$73,981,000</del> ))
	<u>\$74,349,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$186,968,000</del> ))
	<u>\$226,286,000</u>
Education Legacy Trust Account--State Appropriation	\$470,000
General Fund--Federal Appropriation	(( <del>\$864,000</del> ))
	<u>\$990,000</u>
<b>TOTAL APPROPRIATION</b>	<b>((<del>\$262,283,000</del>))</b>
	<b><u>\$302,095,000</u></b>

The appropriations in this section are subject to the following conditions and limitations:

(1) ((~~\$135,669,000~~)) \$171,920,000 is provided for a cost of living adjustment of 1.2 percent effective September 1, 2005, and another ((~~1.7~~)) 2.8 percent effective September 1, 2006, for state formula staff units. The appropriations include associated incremental fringe benefit allocations at rates of ((~~10.26~~)) 10.57 percent for the 2005-06 school year and ((~~11.26~~)) 11.09 percent for the 2006-07 school year for certificated staff and ((~~11.07~~)) 10.57 percent for the 2005-06 school year and ((~~12.32~~)) 11.58 percent for the 2006-07 school year for classified staff.

(a) The appropriations in this section include the increased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Increases for general apportionment (basic education) are based on the salary allocation schedules and methodology in sections 502 and 503 of this act. Increases for special education result from increases in each district's basic education allocation per student. Increases for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 502 and 503 of this act.

(b) The appropriations in this section provide cost of living and incremental fringe benefit allocations based on formula adjustments as follows:

	School Year	
	2005-06	2006-07
Pupil Transportation (per weighted pupil mile)	(( <del>\$0.28</del> ))	(( <del>\$0.68</del> ))
	<u>\$0.27</u>	<u>\$0.93</u>
Highly Capable (per formula student)	\$2.96	(( <del>\$7.26</del> ))
		<u>\$10.01</u>
Transitional Bilingual Education (per eligible bilingual student)	(( <del>\$7.92</del> ))	(( <del>\$19.44</del> ))
	<u>\$7.94</u>	<u>\$26.81</u>
Learning Assistance (per formula student)	\$1.69	(( <del>\$4.14</del> ))
		<u>\$5.71</u>

(c) The appropriations in this section include \$251,000 for fiscal year 2006 and ((~~\$676,000~~)) \$915,000 for fiscal year 2007 for salary increase adjustments for substitute teachers.

(2) ((~~\$126,614,000~~)) \$129,949,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is \$582.47 per month for the 2005-06 and 2006-07 school years. The appropriations in this section provide for a rate increase to \$629.07 per month for the 2005-06 school year and ((~~\$679.39~~)) \$682.54 per month for the 2006-07 school year. The adjustments to health insurance benefit allocations are at the following rates:

	School Year	
	2005-06	2006-07
Pupil Transportation (per weighted pupil mile)	\$0.42	(( <del>\$0.88</del> ))
		<u>\$0.91</u>
Highly Capable (per formula student)	(( <del>\$2.89</del> ))	(( <del>\$5.97</del> ))
	<u>\$2.88</u>	<u>\$6.16</u>
Transitional Bilingual Education (per eligible bilingual student)	\$7.54	(( <del>\$15.69</del> ))
		<u>\$16.20</u>
Learning Assistance (per formula student)	\$1.49	(( <del>\$3.11</del> ))
		<u>\$3.21</u>

(3) The rates specified in this section are subject to revision each year by the legislature.

**Sec. 505.** 2005 c 518 s 505 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION-- PUPIL TRANSPORTATION**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

General Fund--State Appropriation (FY 2006)	(( <del>\$242,170,000</del> ))
	<u>\$247,541,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$248,575,000</del> ))

	<u>\$252,607,000</u>
TOTAL APPROPRIATION .....	( <del>(\$490,745,000)</del> )
	<u>\$500,148,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.
- (2) A maximum of \$796,000 of this fiscal year 2006 appropriation and a maximum of (~~(\$812,000)~~) \$828,000 of the fiscal year 2007 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.
- (3) \$5,000 of the fiscal year 2006 appropriation and \$5,000 of the fiscal year 2007 appropriation are provided solely for the transportation of students enrolled in "choice" programs. Transportation shall be limited to low-income students who are transferring to "choice" programs solely for educational reasons.
- (4) Allocations for transportation of students shall be based on reimbursement rates of (~~(\$41.51)~~) \$42.52 per weighted mile in the 2005-06 school year and (~~(\$42.01)~~) \$42.11 per weighted mile in the 2006-07 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Included in the 2005-06 school year rate is a one-time increase of \$1.12 to offset extraordinary increases in the price of diesel fuel. Allocations for transportation of students transported more than one radius mile shall be based on weighted miles as determined by superintendent of public instruction multiplied by the per mile reimbursement rates for the school year pursuant to the formulas adopted by the superintendent of public instruction. Allocations for transportation of students living within one radius mile shall be based on the number of enrolled students in grades kindergarten through five living within one radius mile of their assigned school multiplied by the per mile reimbursement rate for the school year multiplied by 1.29.
- (5) For busses purchased between July 1, 2005, and June 30, 2007, the office of superintendent of public instruction shall provide reimbursement funding to a school district only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195. The competitive specifications shall meet federal motor vehicle safety standards, minimum state specifications as established by rule by the superintendent, and supported options as determined by the superintendent in consultation with the regional transportation coordinators of the educational service districts.
- (6) Beginning with the 2005-06 school year, the superintendent of public instruction shall base depreciation payments for school district buses on the five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the current state price. The superintendent may include a weighting or other adjustment factor in the averaging formula to ease the transition from the current-price depreciation system to the average depreciation system. Prior to making any depreciation payment in the 2005-06 school year, the superintendent shall notify the office of financial management and the fiscal committees of the legislature of the specific depreciation formula to be used. The replacement cost shall be based on the lowest bid in the appropriate bus category for that school year. A maximum of \$50,000 of the fiscal year 2006 appropriation may be expended for software programming costs associated with the implementation of this subsection.

**Sec. 506.** 2005 c 518 s 506 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION-- SCHOOL FOOD SERVICE PROGRAMS**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

General Fund--State Appropriation (FY 2006) .....	\$3,147,000
General Fund--State Appropriation (FY 2007) .....	\$3,159,000
General Fund--Federal Appropriation .....	( <del>(\$288,774,000)</del> )
	<u>\$270,423,000</u>
TOTAL APPROPRIATION .....	( <del>(\$295,080,000)</del> )
	<u>\$276,729,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$3,000,000 of the general fund--state appropriation for fiscal year 2006 and \$3,000,000 of the general fund--state appropriation for fiscal year 2007 are provided for state matching money for federal child nutrition programs.
- (2) \$100,000 of the general fund--state appropriation for fiscal year 2006 and \$100,000 of the 2007 fiscal year appropriation are provided for summer food programs for children in low-income areas.
- (3) \$47,000 of the general fund--state appropriation for fiscal year 2006 and \$59,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to reimburse school districts for school breakfasts served to students enrolled in the free or reduced price meal program pursuant to House Bill No. 1771 (requiring school breakfast programs in certain schools). If House Bill No. 1771 is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

**Sec. 507.** 2005 c 518 s 507 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION-- SPECIAL EDUCATION PROGRAMS**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 2006) .....	( <del>(\$460,032,000)</del> )
	<u>\$466,686,000</u>

General Fund--State Appropriation (FY 2007)	(( <del>\$471,961,000</del> ))
	<u>\$480,522,000</u>
General Fund--Federal Appropriation	(( <del>\$435,464,000</del> ))
	<u>\$435,634,000</u>
TOTAL APPROPRIATION	(( <del>\$1,367,457,000</del> ))
	<u>\$1,382,842,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) The superintendent of public instruction shall use the excess cost methodology developed and implemented for the 2001-02 school year using the S-275 personnel reporting system and all related accounting requirements to ensure that:

- (i) Special education students are basic education students first;
- (ii) As a class, special education students are entitled to the full basic education allocation; and
- (iii) Special education students are basic education students for the entire school day.

(b) The S-275 and accounting changes in effect since the 2001-02 school year shall supercede any prior excess cost methodologies and shall be required of all school districts.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4) The superintendent of public instruction shall distribute state and federal funds to school districts based on two categories: The optional birth through age two program for special education eligible developmentally delayed infants and toddlers, and the mandatory special education program for special education eligible students ages three to twenty-one. A "special education eligible student" means a student receiving specially designed instruction in accordance with a properly formulated individualized education program.

(5)(a) For the 2005-06 and 2006-07 school years, the superintendent shall make allocations to each district based on the sum of:

(i) A district's annual average headcount enrollment of developmentally delayed infants and toddlers ages birth through two, multiplied by the district's average basic education allocation per full-time equivalent student, multiplied by 1.15; and

(ii) A district's annual average full-time equivalent basic education enrollment multiplied by the funded enrollment percent determined pursuant to subsection (6)(b) of this section, multiplied by the district's average basic education allocation per full-time equivalent student multiplied by 0.9309.

(b) For purposes of this subsection, "average basic education allocation per full-time equivalent student" for a district shall be based on the staffing ratios required by RCW 28A.150.260 and shall not include enhancements, secondary vocational education, or small schools.

(6) The definitions in this subsection apply throughout this section.

(a) "Annual average full-time equivalent basic education enrollment" means the resident enrollment including students enrolled through choice (RCW 28A.225.225) and students from nonhigh districts (RCW 28A.225.210) and excluding students residing in another district enrolled as part of an interdistrict cooperative program (RCW 28A.225.250).

(b) "Enrollment percent" means the district's resident special education annual average enrollment, excluding the birth through age two enrollment, as a percent of the district's annual average full-time equivalent basic education enrollment.

Each district's general fund--state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 12.7 percent.

(7) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with subsection (6)(b) of this section, and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(8) To the extent necessary, \$18,940,000 of the general fund--state appropriation and ((~~\$28,698,000~~)) \$29,081,000 of the general fund--federal appropriation are provided for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (5) of this section. If safety net awards exceed the amount appropriated in this subsection (8), the superintendent shall expend all available federal discretionary funds necessary to meet this need. Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall consider unmet needs for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(b) The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(c) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(d) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent in accordance with chapter 318, Laws of 1999.

(e) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(9) The superintendent of public instruction may adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. Prior to revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature.

(10) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff from the office of superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(11) A maximum of \$678,000 may be expended from the general fund--state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(12) A maximum of \$1,000,000 of the general fund--federal appropriation is provided for projects to provide special education students with appropriate job and independent living skills, including work experience where possible, to facilitate their successful transition out of the public school system. The funds provided by this subsection shall be from federal discretionary grants.

(13) A maximum of \$100,000 of the general fund--federal appropriation shall be expended to create a special education ombudsman program within the office of superintendent of public instruction. The purpose of the program is to provide support to parents, guardians, educators, and students with disabilities. The program will provide information to help families and educators understand state laws, rules, and regulations, and access training and support, technical information services, and mediation services. The ombudsman program will provide data, information, and appropriate recommendations to the office of superintendent of public instruction, school districts, educational service districts, state need projects, and the parent and teacher information center.

(14) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(15) A maximum of \$1,200,000 of the general fund--federal appropriation may be expended by the superintendent for projects related to use of inclusion strategies by school districts for provision of special education services.

(16) \$1,400,000 of the general fund--federal appropriation shall be expended for one-time grants to school districts for the start-up costs of implementing web-based programs that assist schools in meeting state and federal requirements regarding individualized education plans.

(17) The superintendent, consistent with the new federal IDEA reauthorization, shall continue to educate school districts on how to implement a birth-to-three program and review the cost effectiveness and learning benefits of early intervention.

(18) A school district may carry over from one year to the next year up to 10 percent of the general fund--state funds allocated under this program; however, carry over funds shall be expended in the special education program.

(19) \$1,874,000 of the general fund--state appropriation for fiscal year 2006 and \$1,874,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for additional allocations to address extraordinary costs in the 2005-06 and 2006-07 school years resulting from the concentration of high-needs students in staffed residential home placements licensed by the department of social and health services.

(a) The superintendent shall provide school districts with an allocation for each public school student in that district who has a properly formulated individualized education program and who resides in a staffed residential home licensed by the department of social and health services. The allocation is an amount equal to the difference between the statewide average per-pupil general apportionment allocation and the eligibility threshold for receiving a state-funded safety net grant for the extraordinary high cost needs of an individual student receiving special education services.

(b) In addition to the allocation in (a) of this subsection (19), the superintendent shall provide districts with a concentration allocation if the district's concentration of students who have properly formulated individualized education programs, who live in staffed residential homes, and who were originally placed by the division of developmental disabilities exceeds 1.5 per 1000 FTEs. For such districts, the superintendent shall provide a concentration allocation for each student who lives in a staffed residential home and has a properly formulated individualized education program. The concentration allocation is equal to the difference between the eligibility threshold for receiving a state-funded safety net allocation for the extraordinary high cost needs of an individual special education student and three times the statewide average per-pupil expenditure.

(c) The additional allocations in this subsection (19) are provided in lieu of special education excess cost funding for these students.

(d) In addition, school districts are eligible to pursue safety net funding beyond these additional allocations so that where districts demonstrate eligibility for safety net funding the combined basic education allocation, additional allocations in (a) and (b) of this subsection (19), and safety net grants recognize the high cost of serving staffed residential home students concentrated in a few school districts through state licensing of staffed residential home placements.

(e) For purposes of this subsection (19), "staffed residential home" means a home licensed by the department of social and health services to provide twenty-four hour care for six or fewer children or expectant mothers, which employs staff to care for them.

**Sec. 508.** 2005 c 518 s 508 (uncodified) is amended to read as follows:

SUPERINTENDENT OF PUBLIC INSTRUCTION-- EDUCATIONAL SERVICE DISTRICTS

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$3,694,000</del> ))
	<u>\$3,691,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$3,724,000</del> ))
	<u>\$3,711,000</u>
TOTAL APPROPRIATION .....	(( <del>\$7,418,000</del> ))

\$7,402,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.310.340, may receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of education post-site visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

**Sec. 509.** 2005 c 518 s 509 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION-- LOCAL EFFORT ASSISTANCE**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$174,465,000</del> ))
	<u>\$173,153,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$182,702,000</del> ))
	<u>\$186,144,000</u>
TOTAL APPROPRIATION .....	(( <del>\$357,167,000</del> ))
	<u>\$359,297,000</u>

**Sec. 510.** 2005 c 518 s 510 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION-- INSTITUTIONAL EDUCATION PROGRAMS**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$19,084,000</del> ))
	<u>\$18,078,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$19,673,000</del> ))
	<u>\$18,237,000</u>
TOTAL APPROPRIATION .....	(( <del>\$38,757,000</del> ))
	<u>\$36,315,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund--state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) ((~~\$219,000~~)) \$236,000 of the general fund--state appropriation for fiscal year 2006 and ((~~\$219,000~~)) \$236,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, and programs for juveniles under the juvenile rehabilitation administration.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

**Sec. 511.** 2005 c 518 s 511 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION-- PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$6,860,000</del> ))
	<u>\$6,900,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$6,926,000</del> ))
	<u>\$6,974,000</u>
TOTAL APPROPRIATION .....	(( <del>\$13,786,000</del> ))
	<u>\$13,874,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of ~~((347.24))~~ \$347.93 per funded student for the 2005-06 school year and ~~((349.48))~~ \$349.10 per funded student for the 2006-07 school year, exclusive of salary and benefit adjustments pursuant to section 504 of this act. The number of funded students shall be a maximum of two percent of each district's full-time equivalent basic education enrollment.

(3) \$170,000 of the fiscal year 2006 appropriation and \$170,000 of the fiscal year 2007 appropriation are provided for the centrum program at Fort Worden state park.

(4) \$90,000 of the fiscal year 2006 appropriation and \$90,000 of the fiscal year 2007 appropriation are provided for the Washington destination imagination network and future problem-solving programs.

**Sec. 512.** 2005 c 518 s 513 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION-- EDUCATION REFORM PROGRAMS**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

General Fund--State Appropriation (FY 2006)	(( <del>\$43,076,000</del> ))
	<u>\$45,212,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$40,427,000</del> ))
	<u>\$51,767,000</u>
General Fund--Federal Appropriation	(( <del>\$123,345,000</del> ))
	<u>\$147,799,000</u>
TOTAL APPROPRIATION	(( <del>\$206,848,000</del> ))
	<u>\$244,778,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) ASSESSMENT

~~((19,810,000))~~ \$21,180,000 of the general fund--state appropriation for fiscal year 2006, ~~((16,105,000))~~ \$20,449,000 of the general fund--state appropriation for fiscal year 2007, and ~~((16,111,000))~~ \$18,560,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington assessments of student learning (WASL), including development and implementation of retake assessments for high school students who are not successful in one or more content areas of the WASL and development of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student WASL results, on or around June 10th of each year. \$100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to (a) investigate the use of existing mathematics assessments in languages other than English as possible means of measuring tenth grade essential academic learnings and standards, including examining the content and rigor of the assessments as well as their reliability and validity; (b) estimate the cost of translating the tenth grade mathematics WASL into other languages and scoring these assessments should they be implemented; and (c) develop recommendations for (a) and (b) of this subsection. Funds provided in this section are sufficient to implement section 5 of Engrossed Second Substitute House Bill No. 2785 (alternative assessment options).

(2) MATH REMEDIATION

The purpose of this subsection (2) is to strengthen high school student performance in meeting the state standards in mathematics.

(a) Included in the general fund--state amounts provided in subsection (1) of this section is \$2,350,000 which is provided solely for the development of a new tenth grade mathematics assessment tool that: (i) Presents the mathematics essential learnings in segments for assessment; (ii) is comparable in content and rigor to the tenth grade mathematics WASL when all segments are considered together; (iii) is reliable and valid; and (iv) can be used to determine a student's academic performance level.

(b) \$110,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the development of WASL knowledge and skill learning modules to assist students performing at tenth grade Level 1 in mathematics.

(c) \$330,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for development of mathematics knowledge and skill learning modules to teach middle and high school students specific skills that have been identified as areas of difficulty for tenth grade students. The office of the superintendent of public instruction shall develop materials for classroom use and for tutorial learning activities.

(d) \$600,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for development of web-based applications of the curriculum and materials produced under (b) and (c) of this subsection as well as mathematics knowledge and skill modules and materials previously developed by the office of the superintendent of public instruction. The products are to be designed as on-line courses for students needing Level 1 instruction; learning modules accessible to classroom teachers for incorporation into classroom instruction; tutorials that can be used as WASL assessment skill refreshers and as tutor-guided and parent-guided learning modules; and on-line practice WASLs with supporting item scoring information and student response examples.

(e) \$1,327,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Engrossed Substitute House Bill No. 3127 (education). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(f) \$500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of section 4(5) of Engrossed Substitute Senate Bill No. 6255 (student-centered planning) or section 6(5) of Engrossed Second Substitute House Bill No. 2489 (assistance to students) regarding reimbursement of diagnostic assessments.

(3) PROFESSIONAL DEVELOPMENT

(a) \$548,000 of the fiscal year 2006 general fund--state appropriation and \$548,000 of the fiscal year 2007 general fund--state appropriation are provided solely for training of paraprofessional classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

(b) \$2,348,000 of the general fund--state appropriation for fiscal year 2006 and \$2,348,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for mentor teacher assistance, including state support activities, under RCW 28A.415.250 and 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in this subsection may be used each fiscal year to operate a mentor academy to help districts provide effective training for peer mentors. Funds for the teacher assistance program shall be allocated to school districts based on the number of first year beginning teachers.

(c) \$705,000 of the general fund--state appropriation for fiscal year 2006 and \$705,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(d) (~~(\$3,010,000)~~) \$3,095,000 of the general fund--state appropriation for fiscal year 2006 and (~~(\$4,018,000)~~) \$4,643,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for salary bonuses and mandatory fringe benefits for teachers who attain certification by the national board for professional teaching standards, subject to the following conditions and limitations:

(i) Teachers who hold a valid certificate from the national board during the 2005-06 or 2006-07 school years shall receive an annual bonus not to exceed \$3,500 in each of these school years in which they hold a national board certificate.

(ii) The annual bonus shall be paid in a lump sum amount and shall not be included in the definition of "earnable compensation" under RCW 41.32.010(10).

(e) (~~(\$90,399,000)~~) \$98,761,000 of the general fund--federal appropriation is provided for preparing, training, and recruiting high quality teachers and principals under Title II of the no child left behind act.

~~((=))~~ (4) SCHOOL IMPROVEMENT

(a) \$338,000 of the general fund--state appropriation for fiscal year 2006 and \$338,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a principal support program. The office of the superintendent of public instruction may contract with an independent organization to administer the program. The program shall include: (i) Development of an individualized professional growth plan for a new principal or principal candidate; and (ii) participation of a mentor principal who works over a period of between one and three years with the new principal or principal candidate to help him or her build the skills identified as critical to the success of the professional growth plan. Within the amounts provided, \$25,000 per year shall be used to support additional participation of secondary principals.

(b) \$3,046,000 of the general fund--state appropriation for fiscal year 2006 and \$3,046,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to the office of the superintendent of public instruction for focused assistance. The office of the superintendent of public instruction shall conduct educational audits of low-performing schools and enter into performance agreements between school districts and the office to implement the recommendations of the audit and the community. Each educational audit shall include recommendations for best practices and ways to address identified needs and shall be presented to the community in a public meeting to seek input on ways to implement the audit and its recommendations.

(c) \$1,000,000 of the general fund--state appropriation for fiscal year 2006 and \$1,000,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for a high school and school district improvement program modeled after the office of the superintendent of public instruction's existing focused assistance program in (b) of this subsection. The state funding for this improvement program will match an equal amount committed by a nonprofit foundation in furtherance of a jointly funded program.

(d) A maximum of \$250,000 of the general fund--state appropriation for fiscal year 2006 and a maximum of \$250,000 of the general fund--state appropriation for fiscal year 2007 are provided for summer accountability institutes offered by the superintendent of public instruction. The institutes shall provide school district staff with training in the analysis of student assessment data, information regarding successful district and school teaching models, research on curriculum and instruction, and planning tools for districts to improve instruction in reading, mathematics, language arts, social studies, including civics, and guidance and counseling. The superintendent of public instruction shall emphasize issues of high school reform and mathematics instruction when offering summer institute programs supported by funds provided in this subsection.

(e) \$515,000 of the general fund--state appropriation for fiscal year 2006 and \$515,000 of the general fund--state appropriation for fiscal year 2007 are provided for the evaluation of reading and mathematics textbooks, other instructional materials, and diagnostic tools to determine the extent to which they are aligned with the state standards. A scorecard of the analysis shall be made available to school districts. The superintendent shall also develop and disseminate information on essential components of comprehensive, school-based math and reading programs and shall develop and disseminate grade level expectations for reading and math which shall include professional development modules and web-based materials.

(f) \$1,764,000 of the general fund--state appropriation for fiscal year 2006 and \$1,764,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the mathematics helping corps subject to the following conditions and limitations:

(i) In order to increase the availability and quality of technical mathematics assistance statewide, the superintendent of public instruction shall employ mathematics school improvement specialists to provide assistance to schools and districts. The specialists shall be hired by and work under the direction of a statewide school improvement coordinator. The mathematics improvement specialists shall not be permanent employees of the superintendent of public instruction.

(ii) The school improvement specialists shall provide the following:

(A) Assistance to schools to disaggregate student performance data and develop improvement plans based on those data;

(B) Consultation with schools and districts concerning their performance on the Washington assessment of student learning and other assessments emphasizing the performance on the mathematics assessments;

(C) Consultation concerning curricula that aligns with the essential academic learning requirements emphasizing the academic learning requirements for mathematics, the Washington assessment of student learning, and meets the needs of diverse learners;

(D) Assistance in the identification and implementation of research-based instructional practices in mathematics;

(E) Staff training that emphasizes effective instructional strategies and classroom-based assessment for mathematics;

(F) Assistance in developing and implementing family and community involvement programs emphasizing mathematics; and

(G) Other assistance to schools and school districts intended to improve student mathematics learning.

(g) \$125,000 of the general fund--state appropriation for fiscal year 2006 and \$125,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the improvement of reading achievement and implementation of research-based reading models. The superintendent shall evaluate reading curriculum programs and other instructional materials to determine the extent to which they are aligned with state standards. A report of the analyses shall be made available to school districts. The superintendent shall report to districts the assessments that are available to screen and diagnose reading difficulties, and shall provide training on how to implement a reading assessment system. Resources may also be used to disseminate grade level expectations and develop professional development modules and web-based materials.

(h) ~~(\$16,758,000)~~ \$30,401,000 of the general fund--federal appropriation is provided for the reading first program under Title I of the no child left behind act.

~~((4))~~ (5) STUDENT SUPPORTS

(a) \$2,500,000 of the general fund--state appropriation for fiscal year 2006 and ~~(\$2,500,000)~~ \$4,500,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the meals for kids program under RCW 28A.235.145 through 28A.235.155 to eliminate the co-pay for students eligible for reduced price lunch eating breakfast, and to provide additional assistance for school districts to initiate a summer food service program.

(b) \$125,000 of the general fund--state appropriation for fiscal year 2006 ~~(and \$125,000 of the general fund--state appropriation for fiscal year 2007 are)~~ is provided solely for an early reading grant program for community-based initiatives that develop prereading and early reading skills through parental and community involvement, public awareness, coordination of resources, and partnerships with local school districts. Grant awards shall include funding for one-time start up costs for local affiliates and a one-time partial payment of school district dues to local affiliates of up to 30 percent of the per student dues amount. Grant applications shall include:

- (i) Strategies for parental involvement emphasizing ages birth to five and outreach to diverse communities;
- (ii) Evidence of collaboration with, and support from, local school districts, and how the activities funded in the grant are complementary to the reading improvement efforts of local school districts;
- (iii) A plan for community participation and coordination of resources including in-kind and financial support by public and private sector partners;
- (iv) Measurable goals and evaluation methodology to determine impact;
- (v) Integration of reading strategies from the Washington state early learning and development benchmarks;
- (vi) A plan for marketing and public relations;
- (vii) Strategies for sustaining the program when grant funding is no longer available; and
- (viii) Evidence of district commitment to reading improvement, aligned curriculum, progress monitoring, and time-on-task.

(c) \$850,000 of the general fund--state appropriation for fiscal year 2006 and \$850,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs. Grants provided under this section may be used by school districts for expenditures from September 2005 through August 31, 2007.

(d) \$3,594,000 of the general fund--state appropriation for fiscal year 2006 and \$3,594,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for grants to school districts to provide a continuum of care for children and families to help children become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible. Grant funds shall be allocated pursuant to RCW 70.190.040.

~~((5))~~ (6) TECHNOLOGY

(a) \$1,959,000 of the general fund--state appropriation for fiscal year 2006 and \$1,959,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW. The superintendent of public instruction shall coordinate a process to facilitate the evaluation and provision of online curriculum courses to school districts which includes the following: Creation of a general listing of the types of available online curriculum courses; a survey conducted by each regional educational technology support center of school districts in its region regarding the types of online curriculum courses desired by school districts; a process to evaluate and recommend to school districts the best online courses in terms of curriculum, student performance, and cost; and assistance to school districts in procuring and providing the courses to students.

(b) \$126,000 of the general fund--state appropriation for fiscal year 2006 and \$126,000 of the general fund--state appropriation for fiscal year 2007 are provided for the development and posting of web-based instructional tools, assessment data, and other information that assists schools and teachers implementing higher academic standards.

(c) \$500,000 of general fund--state appropriation for fiscal year 2007 is provided for the office of the superintendent of public instruction to hold a series of summit meetings to address issues related to closing the achievement gap in public schools.

**Sec. 513.** 2005 c 518 s 514 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION-- TRANSITIONAL BILINGUAL PROGRAMS**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

General Fund--State Appropriation (FY 2006) .....	<del>(\$59,673,000)</del>
	<u>\$58,205,000</u>
General Fund--State Appropriation (FY 2007) .....	<del>(\$63,535,000)</del>
	<u>\$61,608,000</u>

General Fund--Federal Appropriation .....	(( <del>\$45,561,000</del> ))
	<u>\$51,741,000</u>
TOTAL APPROPRIATION .....	(( <del>\$168,769,000</del> ))
	<u>\$171,554,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.
- (2) The superintendent shall distribute a maximum of ((~~\$757.72~~)) \$759.58 per eligible bilingual student in the 2005-06 school year and ((~~\$763.70~~)) \$762.69 in the 2006-07 school year, exclusive of salary and benefit adjustments provided in section 504 of this act.
- (3) The superintendent may withhold up to 1.5 percent of the school year allocations to school districts in subsection (2) of this section, and adjust the per eligible pupil rates in subsection (2) of this section accordingly, solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2).
- (4) \$70,000 of the amounts appropriated in this section are provided solely to develop a system for the tracking of current and former transitional bilingual program students.
- (5) The general fund--federal appropriation in this section is provided for migrant education under Title I Part C and English language acquisition, and language enhancement grants under Title III of the elementary and secondary education act.

**Sec. 514.** 2005 c 518 s 515 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION-- LEARNING ASSISTANCE PROGRAM**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$65,434,000</del> ))
	<u>\$65,018,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$65,367,000</del> ))
	<u>\$64,626,000</u>
Education Legacy Trust Account--State Appropriation .....	\$24,605,000
General Fund--Federal Appropriation .....	(( <del>\$343,227,000</del> ))
	<u>\$348,351,000</u>
TOTAL APPROPRIATION .....	(( <del>\$498,633,000</del> ))
	<u>\$502,600,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) The general fund--state and education legacy trust account appropriations in this section are subject to the following conditions and limitations:
  - (a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.
  - (b) Funding for school district learning assistance programs shall be allocated at maximum rates of ((~~\$184.29~~)) \$184.69 per funded student for the 2005-06 school year and ((~~\$186.03~~)) \$186.32 per funded student for the 2006-07 school year exclusive of salary and benefit adjustments provided under section 504 of this act.
  - (c) A school district's funded students for the learning assistance program shall be the sum of the following as appropriate:
    - (i) The district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch in the prior school year; and
    - (ii) If, in the prior school year, the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch exceeded forty percent, subtract forty percent from the district's percentage and multiply the result by the district's K-12 annual average full-time equivalent enrollment for the prior school year.
  - (d) In addition to amounts allocated in (b) and (c) of this subsection, an additional amount shall be allocated to a school district for each school year in which the district's allocation is less than the amount the district received for the general fund--state learning assistance program allocation in the 2004-05 school year. The amount of the allocation in this section shall be sufficient to maintain the 2004-05 school year allocation.
- (2) Increases in a school district's allocation above the 2004-05 school year level shall be directed to grades nine through ((~~twelve~~)) ten. ((~~Districts are encouraged to offer remediation courses in the summer for students who fail the tenth grade WASL.~~))
- (3) The general fund--federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.
- (4) Small school districts are encouraged to make the most efficient use of the funding provided by using regional educational service district cooperatives to hire staff, provide professional development activities, and implement reading and mathematics programs consistent with research-based guidelines provided by the office of the superintendent of public instruction.
- (5) A school district may carry over from one year to the next up to 10 percent of the general fund--state or education legacy trust funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.
- (6) School districts are encouraged to coordinate the use of these funds with other federal, state, and local sources to serve students who are below grade level and to make efficient use of resources in meeting the needs of students with the greatest academic deficits.

**NEW SECTION. Sec. 515.** A new section is added to 2005 c 518 (uncodified) to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION--PROMOTING ACADEMIC SUCCESS**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--PROMOTING ACADEMIC SUCCESS**

General Fund--State Appropriation (FY 2006) .....	\$4,056,000
General Fund--State Appropriation (FY 2007) .....	\$26,201,000
<b>TOTAL APPROPRIATION .....</b>	<b>\$30,257,000</b>

The appropriations in this section are subject to the following conditions and limitations:

(1) The amounts appropriated in this section are provided solely for remediation for students who have not met standard in one or more content areas of the WASL in the spring of their tenth grade year and on each retake thereafter. The funds may be used for extended learning activities, including summer school, before and after school, Saturday classes, skill seminars, assessment preparation, and in-school or out-of-school tutoring. Extended learning activities may occur on the school campus, via the internet, or at other locations and times that meet student needs. Funds allocated under this section shall not be considered basic education funding. Amounts allocated under this section shall fund new extended learning opportunities, and shall not supplant funding for existing programs and services.

(2) School district allocations for promoting academic success programs shall be calculated as follows:

(a) A portion of the district's student units shall be the number of content area assessments (reading, writing, and mathematics) on which students were more than one standard error of measurement from meeting standard on the Washington assessment of student learning for the current class of eleventh grade students.

(b) The other portion of the district's student units shall be the number of content area assessments (reading, writing, and mathematics) on which students were less than one standard error of measurement from meeting standard but did not meet standard on the Washington assessment of student learning for the current class of eleventh grade students. Districts with at least one but less than 20 student units combining the student units generated from this subsection and (a) of this subsection shall be counted as having 20 student units for the purposes of the allocations in (c) and (d)(A) of this subsection.

(c) Allocations for certificated instructional staff salaries and benefits shall be determined using formula-generated staff units calculated pursuant to this subsection. Ninety-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (a) of this subsection and thirty-four hours of certificated instructional staff units are allocated per 13.0 student units as calculated under (b) of this subsection. Allocations for salaries and benefits for the staff units calculated under this subsection shall be calculated in the same manner as provided under section 503 of this act. Salary and benefit increase funding for staff units generated under this section is included in section 504 of this act.

(d) The legislature recognizes that some students in the class of 2007 may wish to retake the WASL even though it is not a graduation requirement. Accordingly, funding in this section provides certificated instructional staff units as described in (c) of this subsection for all students in the class of 2007 who register to retake the WASL and want remedial assistance.

(e) The legislature recognizes that professional development and planning for teachers is an important component of high quality extended learning activities. Accordingly, a one-time funding amount equal to 20 hours of certificated instructional staff units per 13.0 student units, as calculated in (a) and (b) of this subsection, is provided in this section to insure that extended learning activities are of high quality and aligned to the state's essential academic learning requirements.

(f) The following additional allocations are provided per student unit, as calculated in (a) of this subsection:

- (A) \$12.50 for maintenance, operations, and transportation;
- (B) \$12.00 for pre- and post-remediation assessments;
- (C) \$17.00 per reading remediation student unit;
- (D) \$8.00 per mathematics remediation student unit; and
- (E) \$8.00 per writing remediation student unit.

(g) Funding shall be provided for students served in promoting academic success programs beginning July 2006.

(h) The superintendent of public instruction shall distribute school year allocations according to the monthly apportionment schedule defined in RCW 28A.510.250.

(3) School districts shall report annually to the office of the superintendent of public instruction on the use of these funds, including the types of assistance selected by students, the number of students receiving each type of assistance, and the impact on WASL test scores.

(4) \$1,500,000 of the general fund--state appropriation for fiscal year 2007 is provided for competitive innovation grants awarded to schools and school districts for implementing high school remediation programs that are unique in program delivery, program accessibility, program content, or a combination of these factors and that serve students who have not achieved success on the tenth grade WASL.

(5) School districts may carry over from one year to the next up to 20 percent of funds allocated under this program; however, carryover funds shall be expended for promoting academic success programs, and may be used to provide extended learning programs for students beyond their eleventh grade year who want continued remedial assistance to pass the WASL.

**Sec. 516.** 2005 c 518 s 516 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION-- STUDENT ACHIEVEMENT PROGRAM**

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM**

Student Achievement Account--State Appropriation .....	<del>(\$629,356,000)</del>
	<u>\$630,537,000</u>

The appropriation in this section is subject to the following conditions and limitations:

(1) Funding for school district student achievement programs shall be allocated at a maximum rate of \$300.00 per FTE student for the 2005-06 school year and \$375.00 per FTE student for the 2006-07 school year. For the purposes of this section, FTE student refers to the annual

average full-time equivalent enrollment of the school district in grades kindergarten through twelve for the prior school year, as reported to the office of the superintendent of public instruction by August 31st of the previous school year.

(2) The appropriation is allocated for the following uses as specified in RCW 28A.505.210:

(a) To reduce class size by hiring certificated elementary classroom teachers in grades K-4 and paying nonemployee-related costs associated with those new teachers;

(b) To make selected reductions in class size in grades 5-12, such as small high school writing classes;

(c) To provide extended learning opportunities to improve student academic achievement in grades K-12, including, but not limited to, extended school year, extended school day, before-and-after-school programs, special tutoring programs, weekend school programs, summer school, and all-day kindergarten;

(d) To provide additional professional development for educators including additional paid time for curriculum and lesson redesign and alignment, training to ensure that instruction is aligned with state standards and student needs, reimbursement for higher education costs related to enhancing teaching skills and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extended day teaching contracts;

(e) To provide early assistance for children who need prekindergarten support in order to be successful in school; or

(f) To provide improvements or additions to school building facilities which are directly related to the class size reductions and extended learning opportunities under (a) through (c) of this subsection (2).

(3) The superintendent of public instruction shall distribute the school year allocation according to the monthly apportionment schedule defined in RCW 28A.510.250.

NEW SECTION. Sec. 517. A new section is added to 2005 c 518 (uncodified) to read as follows:

DEPARTMENT OF EARLY LEARNING

**FOR THE DEPARTMENT OF EARLY LEARNING**

General Fund--State Appropriation (FY 2006) .....	\$105,000
General Fund--State Appropriation (FY 2007) .....	\$32,775,000
General Fund--Federal Appropriation .....	\$180,000
TOTAL APPROPRIATION .....	\$33,060,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$29,941,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for providing early childhood education assistance. Of this amount, \$1,497,000 is provided solely to increase the number of children receiving education and \$2,146,000 is provided solely for a targeted vendor rate increase.

(2) \$525,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for an early reading grant program for community-based initiatives that develop prereading and early reading skills through parental and community involvement, public awareness, coordination of resources, and partnerships with local school districts. If Substitute House Bill No. 2836 (reading achievement account) is enacted by June 30, 2006, this amount shall be deposited in the reading achievement account. Grant awards shall include funding for one-time start up costs for local affiliates and a one-time partial payment of school district dues to local affiliates of up to 30 percent of the per student dues amount. Grant applications shall include:

(a) Strategies for parental involvement emphasizing ages birth to five and outreach to diverse communities;

(b) Evidence of collaboration with, and support from, local school districts, and how the activities funded in the grant are complementary to the reading improvement efforts of local school districts;

(c) A plan for community participation and coordination of resources including in-kind and financial support by public and private sector partners;

(d) Measurable goals and evaluation methodology to determine impact;

(e) Integration of reading strategies from the Washington state early learning and development benchmarks;

(f) A plan for marketing and public relations;

(g) Strategies for sustaining the program when grant funding is no longer available; and

(h) Evidence of district commitment to reading improvement, aligned curriculum, progress monitoring, and time-on-task.

(3) \$1,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the child care career and wage ladder program created by chapter 507, Laws of 2005.

(4) \$26,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2353 (family child care providers). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(5) \$250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a child care consultation pilot program linking child care providers with evidence-based and best practice resources regarding caring for infants and young children who present behavioral concerns. The department shall contract with at least two entities that represent one of the following: A local child care resource and referral network; a local public health department; or a community-based organization with knowledge or expertise in child development and child care programs. Each contracted entity shall coordinate with its local community to develop a program model that incorporates the use of consultants knowledgeable in infant and early childhood development. At a minimum, these consultants shall: (a) Consult with parents and other caregivers in order to solve problems with individual children and families; (b) directly observe children in the child care setting; (c) provide support and guidance to child care staff through structured opportunities for training, team building, communication, and problem solving; and (d) coordinate with specialists in public health, infant and toddler early intervention, infant mental health, and other experts or

practitioners involved with the care and well-being of young children. The department shall report to the appropriate policy committees of the legislature by December 1, 2006, on outcomes and evaluation data from the pilot program.

(6) If a bill creating the department of early learning is not enacted by June 30, 2006, the appropriations for the department of early learning in this section shall lapse and shall be appropriated as follows:

(a) FOR THE DEPARTMENT OF COMMUNITY TRADE AND ECONOMIC DEVELOPMENT

General Fund--State Appropriation (FY 2007) . . . . . \$29,941,000

This appropriation is provided solely for providing early childhood education assistance. Of this amount, \$1,497,000 is provided solely to increase the number of children receiving education and \$2,146,000 is provided solely for a targeted vendor rate increase.

(b) FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--STATE AGENCY OPERATIONS

General Fund--State Appropriations (FY 2007) . . . . . \$525,000

This appropriation is provided solely for an early reading grant program for community-based initiatives that develop prereading and early reading skills through parental and community involvement, public awareness, coordination of resources, and partnerships with local school districts and shall be used in accordance with the requirements set forth in subsection (2) of this section.

(c) FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES PROGRAM

General Fund--State Appropriation . . . . . \$1,276,000

General Fund--Federal Appropriation . . . . . \$180,000

The appropriations in this subsection are subject to the following conditions and limitations:

(i) \$180,000 of the general fund--federal appropriation is provided solely for the headstart--state collaboration office.

(ii) \$1,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the child care career and wage ladder program created by chapter 507, Laws of 2005.

(iii) \$26,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2353 (family child care providers). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(iv) \$250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for a child care consultation pilot program linking child care providers with evidence-based and best practice resources regarding caring for infants and young children who present behavioral concerns and shall be used in accordance with the requirements set forth in subsection (5) of this section.

(d) The remainder of the appropriations in this section shall lapse.

**PART VI  
HIGHER EDUCATION**

**Sec. 601.** 2005 c 518 s 602 (uncodified) is amended to read as follows:

(1) The appropriations in sections ~~((603))~~ 602 through ~~((609))~~ 608 of this act provide state general fund support for full-time equivalent student enrollments at each institution of higher education. Listed below are the annual full-time equivalent student enrollments by institutions assumed in this act.

	2005-06 Annual Average		2006-07 Annual Average	
University of Washington				
Main campus	33,037		<del>((33,217))</del>	<u>33,367</u>
Bothell branch	1,340		1,540	
Tacoma branch	1,644		1,869	
Washington State University				
Main campus	<del>((18,695))</del>	<u>18,711</u>	<del>((18,910))</del>	<u>19,022</u>
Tri-Cities branch	675		700	
Vancouver branch	1,353		1,678	
Central Washington University	8,323		8,649	
Eastern Washington University	8,593		8,919	
The Evergreen State College	4,038		4,143	
Western Washington University	<del>((11,559))</del>	<u>11,534</u>	<del>((11,729))</del>	<u>11,704</u>
State Board for Community and Technical Colleges	130,905		133,040	

(2) For the state universities, the number of full-time equivalent student enrollments enumerated in this section for the branch campuses are the minimum required enrollment levels for those campuses. At the start of an academic year, the governing board of a state university may transfer full-time equivalent student enrollments from the main campus to one or more branch campus. Intent notice shall be provided to the

office of financial management and reassignment of funded enrollment is contingent upon satisfying data needs of the forecast division who is responsible to track and monitor state-supported college enrollment.

**Sec. 602.** 2005 c 518 s 603 (uncodified) is amended to read as follows:

STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

**FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$556,499,000</del> ))
	<u>\$558,880,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$556,220,000</del> ))
	<u>\$581,920,000</u>
Administrative Contingency Account--State Appropriation .....	\$2,950,000
Education Legacy Trust--State Appropriation .....	\$46,669,000
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$1,276,000</u>
TOTAL APPROPRIATION .....	(( <del>\$1,172,338,000</del> ))
	<u>\$1,191,695,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The technical colleges may increase tuition and fees in excess of the fiscal growth factor to conform with the percentage increase in community college operating fees.

(2) \$539,000 of the general fund--state appropriation for fiscal year 2006 and \$540,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the displaced homemakers program.

(3) Access to baccalaureate and graduate degree programs continues to be limited for residents of North Snohomish, Island, and Skagit counties. The higher education consortium created to serve the region has not been able to successfully address the region's access needs. The university center model of service delivery, centered on a community college campus with a single point of accountability, has proven more effective in developing degree programs and attracting students.

Therefore, the management and leadership responsibility for consortium operations are assigned to Everett community college. Everett community college shall collaborate with community and business leaders, other local community colleges, the public four-year institutions of higher education, and the higher education coordinating board to develop an educational plan for the North Snohomish, Island, and Skagit county region based on the university center model.

(4) \$50,000 of the general fund--state appropriation for fiscal year 2006 and \$50,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(5) \$28,761,000 of the general fund--state appropriation for fiscal year 2006 and \$28,761,000 of the general fund--state appropriation for fiscal year 2007 are provided solely as special funds for training and related support services, including financial aid, as specified in chapter 226, Laws of 1993 (employment and training for unemployed workers). Funding is provided to support up to 6,200 full-time equivalent students in each fiscal year.

(6) \$2,000,000 of the education legacy trust appropriation for fiscal year 2006 and \$2,000,000 of the education legacy trust appropriation for fiscal year 2007 are provided solely for basic skills education at community and technical colleges and community-based providers. These funds may be used to align or integrate adult basic education and English as a second language courses with vocational training.

(7) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the community and technical colleges as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, the state board for community and technical colleges shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

- (a) Increase the number of academic students who are eligible to transfer to baccalaureate institutions;
- (b) Increase the number of students prepared for work; and
- (c) Increase the number of basic skills students who demonstrate substantive skill gain.

Specific six-year targets for the goals stated in this subsection shall be established by the state board and the office of financial management and shall be determined based on the per student funding level assumed in this act.

The state board for community and technical colleges shall provide a summary of the progress and ongoing efforts toward meeting the provisions of this section to the governor and the appropriate fiscal and policy committees of the legislature prior to November 1, 2006.

(8) \$11,070,000 of the education legacy trust appropriation for fiscal year 2006 and \$22,599,000 of the education legacy trust appropriation for fiscal year 2007 are provided to increase budgeted enrollments by 2,050 student FTEs in academic year 2006 and an additional 2,135 student FTEs in academic year 2007. By December 15th of each year of the 2005-07 fiscal biennium, the board shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs enrolled with the funding provided in this subsection.

(9) \$2,250,000 of the education legacy trust appropriation for fiscal year 2006 and \$2,250,000 of the education legacy trust appropriation for fiscal year 2007 are provided solely to increase salaries and related benefits for part-time faculty. A college district may match the state funds with local revenue. The board shall report by January 30, 2006, to the office of financial management and the appropriate fiscal and policy committees of the legislature on (a) the distribution of state funds, and (b) wage adjustments for part-time faculty.

(10) \$2,250,000 of the education legacy trust appropriation for fiscal year 2006 and \$2,250,000 of the education legacy trust appropriation for fiscal year 2007 are provided solely for faculty salary increments and associated benefits and may be used in combination with salary and benefit savings from faculty turnover to provide salary increments and associated benefits for faculty who qualify through professional

development and training. To the extent general salary increase funding is used to pay faculty increments, the general salary increase shall be reduced by the same amount.

(11) \$2,950,000 of the administrative contingency account--state appropriation is provided solely for administration and customized training contracts through the job skills program, which shall be made available broadly and not to the exclusion of private nonprofit baccalaureate degree granting institutions or vocational arts career schools operating in Washington state who partner with a firm, hospital, group, or industry association concerned with commerce, trade, manufacturing, or the provision of services to train current or prospective employees. The state board shall make an annual report by January 1 of each fiscal year to the governor and appropriate policy and fiscal committees of the legislature regarding the implementation of this section listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the successful partnerships supported by these state funds.

(12) \$904,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for start-up and planning funds for four applied baccalaureate degree programs at community and technical colleges as authorized in RCW 28B.50.810. The applied baccalaureate degrees shall be specifically designed for individuals who hold associate of applied science degrees, or equivalent, in order to maximize application of their technical course credits toward the applied baccalaureate degree.

(13) \$156,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for three community and technical college partnerships with universities as authorized in RCW 28B.50.820. This appropriation is in addition to funding provided for 2005-07 general growth enrollments. The community and technical college system shall serve 120 student FTEs in this program within the targeted enrollments established by section 601 of this act.

(14) \$761,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

(15) \$5,075,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the opportunity grants pilot program as outlined in Engrossed Second Substitute House Bill No. 2630 (creating the opportunity grant program). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(16) \$325,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement the provisions of Substitute House Bill No. 3113 (expanding access to higher education in north Snohomish, Island, and Skagit counties). This appropriation is in addition to funding provided for 2005-07 general growth enrollments. The community and technical college system shall serve 250 student FTEs in this program within the targeted enrollments established by section 601 of this act. If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(17) \$1,400,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to permit system-level license purchasing of full text databases for certain fields of study, including allied health, information technology and engineering. Funding will provide uniform access to these databases across the community and technical college system.

(18) \$150,000 of the general fund--state appropriation for fiscal year 2007 is provided solely as matching funds for strategic statewide partnerships with health care providers or facilities to address the health workforce shortage. Partnerships funded under this subsection may include efforts to increase the capacity of community and technical colleges to educate students enrolled in health professions programs, improve retention of health care workers, improve knowledge of the health industry workforce, and increase the number of youth and diverse populations in the health work force. Health care providers or facilities participating in partnerships under this subsection shall provide a one dollar match for each state dollar provided.

(19) \$768,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement the provisions of Second Substitute House Bill No. 2583 (regarding community and technical college part-time academic employee health benefits). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(20) \$150,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the fire fighter apprenticeship program at South Seattle Community College.

**Sec. 603.** 2005 c 518 s 604 (uncodified) is amended to read as follows:

UNIVERSITY OF WASHINGTON

**FOR THE UNIVERSITY OF WASHINGTON**

General Fund--State Appropriation (FY 2006)	(( <del>\$336,644,000</del> ))
	<u>\$337,629,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$344,118,000</del> ))
	<u>\$355,314,000</u>
General Fund--Private/Local Appropriation	\$300,000
Accident Account--State Appropriation	(( <del>\$6,204,000</del> ))
	<u>\$6,209,000</u>
Medical Aid Account--State Appropriation	(( <del>\$6,141,000</del> ))
	<u>\$6,143,000</u>
Education Legacy Trust--State Appropriation	\$10,748,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$604,000</u>
TOTAL APPROPRIATION	(( <del>\$704,155,000</del> ))
	<u>\$716,947,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$165,000 of the general fund--state appropriation for fiscal year 2006 and \$165,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of the Puget Sound work plan and agency action item UW-01.

(2) \$300,000 of the general fund--private/local appropriation is provided solely for shellfish biotoxin monitoring as specified in chapter 263, Laws of 2003 (SSB 6073, shellfish license fee).

(3)(a) \$3,057,000 of the education legacy trust appropriation for fiscal year 2006 and \$7,691,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 360 new enrollments at the Seattle campus, 325 new enrollments at the Tacoma campus, and 275 new enrollments at the Bothell campus. By December 15th of each year of the 2005-07 fiscal biennium, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(b) \$2,500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for 150 additional high-demand student enrollments. The university shall make it a priority to expand access to baccalaureate programs in engineering, math, and science. By December 15, 2006, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs enrolled with the funding provided in this subsection.

(4) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, the University of Washington shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

- (a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
- (b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
- (c) Improve freshman retention rates;
- (d) Improve and sustain the quality of its degree programs as measured by the number of programs that are ranked in the top twenty nationally;
- (e) Sustain the quality of its research programs as measured by the national ranking for federal research grants received; and
- (f) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before (~~October~~) November 1, 2006, the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to (~~November~~) December 1, 2006.

(5) \$200,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to assist the transition of University of Washington-Tacoma and University of Washington-Bothell from branch campuses serving upper-division students, to four-year campuses serving freshmen, sophomores, and upper-division students. Funds may be used to develop curricula, recruit new faculty, and expand student services. Consistent with the recommendations of the higher education coordinating board, UW-Tacoma and UW-Bothell may begin enrolling lower-division students beginning in fiscal year 2007.

(6) \$30,000 of the general fund--state appropriation for fiscal year 2006 and \$30,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for research on labor and economic issues in Washington state through the Harry Bridges center.

(7) \$146,000 of the general fund--state appropriation for fiscal year 2006 and (~~(\$146,000)~~) \$296,000 of the general fund--state appropriation for the fiscal year 2007 are provided solely to the Burke Museum to enhance the museum's public outreach capabilities.

(8) \$125,000 of the general fund--state appropriation for fiscal year 2006 and \$125,000 of the general fund--state appropriation for the fiscal year 2007 are provided solely to the institute for learning and brain sciences (ILABS) to develop a partnership, linking ILABS to policymakers, private sectors and user-groups.

(9) The University of Washington medical center shall provide inpatient and outpatient hospital services to offenders confined in department of corrections facilities at a rate no greater than the average rate that the department of corrections has negotiated with other community hospitals in Washington state.

(10) \$75,000 of the general fund--state appropriation for fiscal year 2006 and \$75,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Olympic natural resources center.

(11) \$350,000 of the general fund--state appropriation for fiscal year 2006 and \$350,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to maintain the autism center at the University of Washington-Tacoma campus. The facility will continue to function as a satellite facility to the autism center at the University of Washington medical center in Seattle and provide clinical service and professional training.

(12) \$2,400,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for research in life science fields.

(13) \$400,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for improvements to the Pacific Northwest seismic network.

(14) \$100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for one-time expenditures associated with creating the policy consensus center.

(15) \$1,008,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

(16) \$2,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the university to implement a department of global health. The school of medicine and the school of public health and community medicine will jointly form and operate the department. The focus will be establishing sustainable improvements in global health through public health policy, practice, and medical care.

(17) \$3,400,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to pay for operations and maintenance costs of the bioengineering and genome sciences buildings that will come on line during the 2005-07 biennium.

(18) \$150,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to expand the Washington search for young scholars program at the Robinson center at the University of Washington.

(19) \$125,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the college of education at the University of Washington to conduct a review of curriculum offered by public schools in Washington. The purpose of this review is to examine the extent to which the curriculum offered by these institutions fully and accurately include the history, contributions, and contemporary experiences of people of color. The review will include the identification of barriers which may impede school districts from successfully adopting and using these types of curriculum. The report by the university is due to the legislature by December 1, 2007.

**Sec. 604.** 2005 c 518 s 605 (uncodified) is amended to read as follows:

WASHINGTON STATE UNIVERSITY

**FOR WASHINGTON STATE UNIVERSITY**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$206,494,000</del> ))
	\$206,511,000
General Fund--State Appropriation (FY 2007) .....	(( <del>\$211,870,000</del> ))
	\$214,000,000
Education Legacy Trust--State Appropriation .....	\$11,162,000
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$293,000</u>
TOTAL APPROPRIATION .....	(( <del>\$429,526,000</del> ))
	\$431,966,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$210,000 of the general fund--state appropriation for fiscal year 2006 and \$210,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the implementation of the Puget Sound work plan and agency action item WSU-01.

(2)(a) \$2,741,000 of the education legacy trust appropriation for fiscal year 2006 and \$6,900,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 430 new enrollments at the Pullman campus, 450 new enrollments at the Vancouver campus, and 25 new enrollments at the Tri-Cities campus. By December 15th of each year of the 2005-07 fiscal biennium, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(b) \$1,174,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for 80 additional high demand student enrollments. The university shall make it a priority to expand baccalaureate and graduate level access to nursing programs and to expand baccalaureate programs in engineering and construction management. By December 15, 2006, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs enrolled with the funding provided in this subsection.

(3) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, Washington State University shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

- (a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
- (b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
- (c) Improve freshman retention rates;
- (d) Improve and sustain the quality of its degree programs as measured by the number of programs that are ranked in the top twenty nationally;
- (e) Sustain the quality of its research programs as measured by the national ranking for federal research grants received; and
- (f) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before (~~October~~) November 1, 2006 the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to (~~November~~) December 1, 2006.

(4) \$507,000 of the education legacy trust appropriation for fiscal year 2006 and \$1,014,000 of the education legacy trust appropriation for fiscal year 2007 are provided solely to expand the entering class of veterinary medicine students by 16 resident student FTEs each academic year during the 2005-2007 biennium.

(5) \$350,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to assist the transition of Washington State University-Vancouver from a branch campus serving only upper-division students, to a four-year campus serving freshmen, sophomores, and upper-division students. Funds may be used to develop curricula, recruit new faculty, and expand student services. Consistent with the recommendations of the higher education coordinating board, WSU-Vancouver may begin enrolling lower-division students beginning in fiscal year 2007.

(6) The university shall give consideration to reprioritizing agricultural research funding to allow for expansion of the center for precision agricultural systems and development of the biologically intensive and organic agriculture program.

(7) \$25,000 of the general fund--state appropriation for fiscal year 2006 and \$25,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to study the cost of complying with vehicle licensing and registration laws. Funding is subject to the passage of House Bill No. 1241 (modifying vehicle licensing and registration penalties). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(8) \$42,000 of the general fund--state appropriation for fiscal year 2006 and \$43,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement Senate Bill No. 5101 (providing incentives to support renewable energy). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(9) \$200,000 of the general fund--state appropriation for fiscal year 2006 and \$200,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to conduct research on alternatives for controlling ghost shrimp in Willapa bay.

(10) \$100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for one-time expenditures associated with creating the policy consensus center.

(11) \$716,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

(12) \$250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to assist the Washington State University (WSU) Tri-Cities in planning the transition from a branch campus serving upper-division students, to a four-year campus serving freshmen, sophomores, and upper-division students. Funds may be used to develop curricula, recruit new faculty, and expand student services. WSU Tri-Cities may begin enrolling lower-division students beginning in Fall 2007.

(13) \$800,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the university to operate the AgWeatherNet system.

(14) \$800,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the center for sustaining agriculture and natural resources to create a biologically intensive and organic agriculture program.

(15) \$5,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the university to publish a comprehensive reference book on Washington state local governments through the division of governmental studies and services. Copies of the publication shall be provided to the appropriate policy and fiscal committees of the legislature.

(16) \$1,000,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for allocation to a private nonprofit medical and scientific research institute to be located in Spokane for the purposes of developing and implementing new medical treatment therapies involving systems biology, genomics, and nanotechnology. The allocation shall be matched by an equal amount of funds from nonstate sources. The university shall not retain any of these funds for administrative purposes.

(17) \$98,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to establish a biofuels consumer education and outreach program at the Washington State University extension energy program.

**Sec. 605.** 2005 c 518 s 606 (uncodified) is amended to read as follows:

EASTERN WASHINGTON UNIVERSITY

**FOR EASTERN WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$46,137,000</del> ))
	\$46,300,000
General Fund--State Appropriation (FY 2007) .....	(( <del>\$47,069,000</del> ))
	\$47,100,000
Education Legacy Trust--State Appropriation .....	\$6,461,000
<u>Pension Funding Stabilization Account--State Appropriation .....</u>	<u>\$110,000</u>
TOTAL APPROPRIATION .....	(( <del>\$99,667,000</del> ))
	\$99,971,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,147,000 of the education legacy trust appropriation for fiscal year 2006 and \$4,314,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 650 new enrollments. By December 15th of each year of the 2005-07 fiscal biennium, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(2) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, Eastern Washington University shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

- (a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
- (b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
- (c) Improve freshman retention rates;
- (d) Improve and sustain the quality of its degree programs as measured by the number of programs that receive national accreditation; and
- (e) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before (~~October~~) November 1, 2006, the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall

compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to ~~((November))~~ December 1, 2006.

(3) \$212,000 of the general fund--state appropriation for fiscal year 2006 and \$213,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the northeast autism center to provide community based approaches to assisting children and adults with autism spectrum disorder and to include the establishment of a preschool at Eastern Washington University to serve children identified with autism spectrum disorder.

(4) \$158,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

**Sec. 606.** 2005 c 518 s 607 (uncodified) is amended to read as follows:

CENTRAL WASHINGTON UNIVERSITY

**FOR CENTRAL WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$45,379,000</del> ))
	\$45,751,000
General Fund--State Appropriation (FY 2007) .....	(( <del>\$46,739,000</del> ))
	\$47,256,000
Education Legacy Trust--State Appropriation .....	\$6,461,000
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$103,000</u>
TOTAL APPROPRIATION .....	(( <del>\$98,579,000</del> ))
	<u>\$99,571,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,147,000 of the education legacy trust appropriation for fiscal year 2006 and \$4,314,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 650 new enrollments. By December 15th of each year of the 2005-07 fiscal biennium, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(2) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, Central Washington University shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

- (a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
- (b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
- (c) Improve freshman retention rates;
- (d) Improve and sustain the quality of its degree programs as measured by the number of programs that receive national accreditation; and
- (e) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before ~~((October))~~ November 1, 2006, the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to ~~((November))~~ December 1, 2006.

(3) For the 2006-07 and 2007-08 academic years, the legislature hereby increases the limit on total gross authorized operating fees revenue waived, exempted, or reduced by Central Washington University pursuant to RCW 28B.15.910 to eleven percent.

(4) \$206,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

(5) \$165,000 of the general fund--state appropriation for fiscal year 2006 and \$495,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to fund additional tuition waiver authority granted to the university in the 2005-07 biennial budget.

**Sec. 607.** 2005 c 518 s 608 (uncodified) is amended to read as follows:

THE EVERGREEN STATE COLLEGE

**FOR THE EVERGREEN STATE COLLEGE**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$25,586,000</del> ))
	\$25,661,000
General Fund--State Appropriation (FY 2007) .....	(( <del>\$26,174,000</del> ))
	\$26,407,000
Education Legacy Trust--State Appropriation .....	\$2,116,000
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$75,000</u>
TOTAL APPROPRIATION .....	(( <del>\$53,876,000</del> ))
	<u>\$54,259,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$705,000 of the education legacy trust appropriation for fiscal year 2006 and \$1,411,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 210 new enrollments. By December 15th of each year of the 2005-07 fiscal biennium, the college shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(2) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the college as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, The Evergreen State College shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

- (a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
- (b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
- (c) Improve freshman retention rates;
- (d) Improve and sustain the quality of its degree programs as measured by the number of programs that receive national accreditation;
- (e) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before ~~(October)~~ November 1, 2006, the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to ~~(November)~~ December 1, 2006.

(3) \$40,000 of the general fund--state appropriation for fiscal year 2006 and \$10,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the Washington state institute for public policy to conduct an analysis of the availability, services, and effectiveness of programs in community and technical colleges that serve the educational needs of recent immigrant students who are not proficient in English and who are or have been enrolled in high school but have not met graduation requirements. The analysis shall include, but not be limited to, the type of programs provided, the geographic availability of programs, the identification of best practices, how the programs are funded, and the effectiveness of the programs. The analysis shall also include recommendations for improving the programs to better meet the needs of recent immigrant students and for expanding the availability of programs statewide. A report shall be submitted to the fiscal and education committees of the legislature, the superintendent of public instruction, and the state board for community and technical colleges by December 1, 2006.

(4) \$170,000 of the general fund--state appropriation for fiscal year 2006 and \$140,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for sections 217 and 605 of Senate Bill No. 5763 (mental disorders treatment). If neither section 217 nor section 605 is enacted by June 30, 2005, the amounts provided in this subsection shall lapse.

(5) \$69,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

(6) \$61,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the Washington state institute for public policy to begin conducting the study of continued foster care support services outlined in Second Substitute House Bill No. 2002 (foster care support services). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(7) \$80,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to meet the demand for collective bargaining and bargaining unit training. All of the funding provided in this subsection shall be allocated to the labor education and research center to support such training and shall not be used for overhead expenses.

(8) \$40,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the Washington state institute for public policy to update the list of cost-beneficial juvenile justice programs that the institute has previously published and to update the cost parameters used to estimate the benefits of such programs as outlined in Fourth Substitute House Bill No. 1483 (investing in youth program). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(9) \$30,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the Washington state institute for public policy to begin a study of the pilot program created in section 204(1)(q) of this act. Subject to the approval of the institute's board, the study shall measure improvements in the delivery of mental health services to children and shall include, at a minimum, an assessment of program outcomes and cost-effectiveness, including consideration of hospital utilization, residential or out-of-home placements, utilization of child welfare services, school attendance, and involvement in the juvenile justice system. The institute shall provide the appropriate committees of the legislature with an initial study plan and activity report by June 30, 2007.

**Sec. 608.** 2005 c 518 s 609 (uncodified) is amended to read as follows:

**WESTERN WASHINGTON UNIVERSITY**

**FOR WESTERN WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2006) .....	(( <del>\$58,896,000</del> ))
	<u>\$58,993,000</u>
General Fund--State Appropriation (FY 2007) .....	(( <del>\$60,514,000</del> ))
	<u>\$61,185,000</u>
Education Legacy Trust--State Appropriation .....	\$3,475,000
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$161,000</u>
TOTAL APPROPRIATION .....	(( <del>\$122,885,000</del> ))
	<u>\$123,814,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,158,000 of the education legacy trust appropriation for fiscal year 2006 and \$2,317,000 of the education legacy trust appropriation for fiscal year 2007 are provided as the state subsidy for 340 new enrollments. By December 15th of each year of the 2005-07 fiscal biennium, the university shall report to the office of financial management and the legislative fiscal committees the number of new student FTEs by campus enrolled with the funding provided in this subsection.

(2) The appropriations for higher education employee compensation increases provided or referenced in this section and described in sections 949 through 980 of this act are estimated to increase the total per student funding during the 2005-2007 biennium. This increase in total per student funding is in addition to the tuition revenues that will be generated and retained by the university as a result of the tuition increases that are authorized in section 601 of this act. Given these increases in core funding, Western Washington University shall, by June 30, 2007, show demonstrable progress toward achieving the following six-year programmatic goals:

- (a) Improve time to degree as measured by the percent of admitted students who graduate within 125% of the credits required for a degree;
- (b) Preserve access for low-income students as measured by the percentage of total degrees awarded to Pell Grant recipients;
- (c) Improve freshman retention rates;
- (d) Improve and sustain the quality of its degree programs as measured by the number of programs that receive national accreditation; and
- (e) Improve its ability to prepare students for the workforce as measured by the job placement or graduate school acceptance rates among graduates.

Specific six-year targets for the goals stated in this subsection shall be established by the university, the office of financial management, and the higher education coordinating board and shall be determined based on the per student funding level assumed in this act.

On or before (~~October~~) November 1, 2006, the university shall submit to the higher education coordinating board a report that outlines the institution's progress and ongoing efforts toward meeting the provisions of this section. The higher education coordinating board shall compile and analyze all responses and provide a summary to the governor and the appropriate fiscal and policy committees of the legislature prior to (~~November~~) December 1, 2006.

(3) Access to baccalaureate and graduate degree programs continues to be limited for residents of North Snohomish, Island, and Skagit counties. The higher education consortium created to serve the region has not been able to successfully address the region's access needs. The university center model of service delivery, centered on a community college campus with a single point of accountability, has proven more effective in developing degree programs and attracting students.

Therefore, the management and leadership responsibility for consortium operations are assigned to Everett community college. Everett community college shall collaborate with community and business leaders, other local community colleges, the public four-year institutions of higher education, and the higher education coordinating board to develop an educational plan for the North Snohomish, Island, and Skagit county region based on the university center model.

(4) \$98,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for extraordinary natural gas cost expenses.

(5) \$400,000 of the general fund--state appropriation for fiscal year 2007 is provided to help planning efforts to coordinate expansion of the university's campus to the Bellingham waterfront.

(6) \$250,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to establish a planning and emergency management program at Western Washington University.

**Sec. 609.** 2005 c 518 s 610 (uncodified) is amended to read as follows:

HIGHER EDUCATION COORDINATING BOARD-- POLICY COORDINATION AND ADMINISTRATION

**FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND ADMINISTRATION**

General Fund--State Appropriation (FY 2006) .....	((\$2,665,000))
	<u>\$5,666,000</u>
General Fund--State Appropriation (FY 2007) .....	((\$2,684,000))
	<u>\$5,682,000</u>
General Fund--Federal Appropriation .....	((\$4,289,000))
	<u>\$4,291,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u> .....	<u>\$29,000</u>
<b>TOTAL APPROPRIATION</b> .....	<b>((\$9,638,000))</b>
	<u>\$15,668,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$300,000 of the general fund--state appropriation for fiscal year 2006 and \$300,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to develop college readiness standards for English and science.

(2) \$2,914,000 of the general fund--state appropriation for fiscal year 2006 and \$2,888,000 of the general fund--state appropriation for fiscal year 2007 are provided for financial aid administration, in addition to the four percent cost allowance provision for state work study under section 610(7) of this act. These amounts are provided to administer all the financial aid and grant programs assigned to the board by the legislature and administered by the agency. To the extent the executive director finds the agency will not require the full sum provided in this subsection, a portion may be transferred to supplement financial grants-in-aid to eligible clients contained in section 610 of this act after notifying the board and the office of financial management of the transfer.

**Sec. 610.** 2005 c 518 s 611 (uncodified) is amended to read as follows:

HIGHER EDUCATION COORDINATING BOARD-- FINANCIAL AID AND GRANT PROGRAMS

**FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT PROGRAMS**

General Fund--State Appropriation (FY 2006)	(( <del>\$159,363,000</del> ))
	<u>\$156,449,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$164,634,000</del> ))
	<u>\$162,943,000</u>
General Fund--Federal Appropriation	(( <del>\$13,073,000</del> ))
	<u>\$13,075,000</u>
Education Legacy Trust--State Appropriation	\$62,910,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$1,000</u>
TOTAL APPROPRIATION	(( <del>\$399,980,000</del> ))
	<u>\$395,378,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$299,000 of the general fund--state appropriation for fiscal year 2006 and \$308,000 of the general fund--state appropriation for fiscal year 2007 are ~~((provided solely))~~ for the western interstate commission for higher education.

(2) \$75,000 of the general fund--state appropriation for fiscal year 2006 and \$75,000 of the general fund--state appropriation for fiscal year 2007 are ~~((provided solely))~~ for higher education student child care matching grants under chapter 28B.135 RCW.

(3) \$25,000 of the general fund--state appropriation for fiscal year 2006 and \$25,000 of the general fund--state appropriation for fiscal year 2007 are ~~((provided solely))~~ for the benefit of students who participate in college assistance migrant programs (CAMP) operating in Washington state. To ensure timely state aid, the board may establish a date after which no additional grants would be available for the 2005-06 and 2006-07 academic years. The board shall disperse grants in equal amounts to eligible post-secondary institutions so that state money in all cases supplements federal CAMP awards.

(4) \$124,901,000 of the general fund--state appropriation for fiscal year 2006, \$134,506,000 of the general fund--state appropriation for fiscal year 2007, \$28,400,000 of the education legacy trust appropriation for fiscal year 2006, and \$31,654,000 of the education legacy trust appropriation for fiscal year 2007 are ~~((provided solely))~~ for the state need grant program. After April 1st of each fiscal year, ~~((up to one percent of))~~ uncommitted funds from the annual appropriation for the state need grant program may be transferred to the state work study ~~((program))~~ or educational opportunity grant programs and up to one percent may be transferred to the state education trust account as authorized in RCW 28B.92.140.

~~((5))~~ ~~\$250,000 of the general fund--state appropriation for fiscal year 2006 and \$250,000 of the general fund--state appropriation for fiscal year 2007 are provided solely~~) Of the amounts provided in this subsection, up to \$500,000 is to implement House Bill No. 1345 (part-time student financial aid). ~~((If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.))~~ The board may not expend more than the amount provided in this subsection to implement the bill.

~~((6))~~ ~~(5)~~ \$75,000 of the general fund--state appropriation for fiscal year 2006 and \$75,000 of the general fund--state appropriation for fiscal year 2007 are ~~((provided solely))~~ for the implementation of Second Substitute House Bill No. 1050 (foster care endowed scholarship program). The purpose of the program is to help students who are or were in foster care attend an institution of higher education in the state of Washington. ~~((If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.))~~

~~((7))~~ ~~(6)~~ \$250,000 of the general fund--state appropriation for fiscal year 2006 and ~~((250,000))~~ \$850,000 of the general fund--state appropriation for the fiscal year 2007 are ~~((provided solely))~~ to support the future teachers' conditional scholarship and loan repayment program. Of this amount, \$600,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for implementation of Substitute House Bill No. 2989 (establishing the Washington teach math-science program). If this bill is not enacted by June 30, 2006, the amount provided shall lapse.

~~((8))~~ ~~(7)~~ \$17,048,000 of the general fund--state appropriation for fiscal year 2006, \$17,048,000 of the general fund--state appropriation for fiscal year 2007, \$863,000 of the education legacy trust appropriation for fiscal year 2006, and \$1,993,000 of the education legacy trust appropriation for fiscal year 2007 are ~~((provided solely))~~ for the state work study program. After April 1st of each fiscal year, ~~((up to one percent of))~~ uncommitted funds from the annual appropriation for the state work study program may be transferred to the state need grant or educational opportunity grant programs. In addition to the administrative allowance in ~~((subsection (11) of this))~~ section 609(2) of this act, four percent of the general fund--state amount and the education legacy trust amounts in this subsection may be transferred to and expended for state work study program administration.

~~((9))~~ ~~(8)~~ \$2,867,000 of the general fund--state appropriation for fiscal year 2006 and \$2,867,000 of the general fund--state appropriation for fiscal year 2007 are ~~((provided solely))~~ for educational opportunity grants pursuant to chapter 233, Laws of 2003 (ESB 5676). The board may deposit sufficient funds from its appropriation into the state education trust fund as established in RCW ~~((28B.10.821))~~ 28B.92.140 to provide a one-year renewal of the grant for each new recipient of the educational opportunity grant award. After April 1st of each fiscal year, uncommitted funds from the annual appropriation for the educational opportunity grant program may be transferred to the state work study or state need grant programs.

~~((10))~~ ~~(9)~~ \$2,384,000 of the general fund--state appropriation for fiscal year 2006 and \$2,361,000 of the general fund--state appropriation for fiscal year 2007 are ~~((provided solely))~~ to implement the Washington scholars program. Any Washington scholars program moneys not awarded by April 1st of each year may be transferred by the board to the Washington award for vocational excellence. Amounts provided in this subsection are sufficient for the higher education coordinating board to select three Washington scholars in fiscal year 2006 and two Washington scholars in fiscal year 2007 from each legislative district under the provisions of RCW 28A.600.100 through 28A.600.150.

~~((11))~~ ~~(10)~~ \$794,000 of the general fund--state appropriation for fiscal year 2006 and \$847,000 of the general fund--state appropriation for fiscal year 2007 are ~~((provided solely))~~ to implement Washington award for vocational excellence program. Any Washington award for vocational program moneys not awarded by April 1st of each year may be transferred by the board to the Washington scholars program.

~~((H2))~~ (11) \$246,000 of the general fund--state appropriation for fiscal year 2006 and \$246,000 of the general fund--state appropriation for fiscal year 2007 are ~~((provided solely))~~ for community scholarship matching grants of \$2,000 each and up to a total of \$46,000 per year in grants for nonprofit community organizations with preference given to organizations affiliated with scholarship America to administer the scholarship matching grants. To be eligible for the matching grant, a nonprofit community organization organized under section 501(c)(3) of the internal revenue code must demonstrate that it has raised \$2,000 in new moneys for college scholarships after the effective date of this section. An organization may receive more than one \$2,000 matching grant and preference shall be given to organizations affiliated with scholarship America.

~~((H3))~~ (12) Subject to state need grant service requirements pursuant to chapter 28B.119 RCW, ~~((4,265,000))~~ \$4,325,000 of the general fund--state appropriation for fiscal year 2006 is ~~((provided solely))~~ for the Washington promise scholarship program. The Washington promise scholarship program is terminated following fiscal year 2006. No Washington promise scholarship awards may be offered to students beyond the graduating high school class of 2004. Unexpended funds remaining after June 30, 2006, may be transferred to the state education trust account authorized in RCW 28B.92.140.

~~((H4))~~ \$2,963,000 of the general fund--state appropriation for fiscal year 2006 and \$2,958,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for financial aid administration, in addition to the four percent cost allowance provision for state work study under subsection (5) of this section. These funds are provided to administer all the financial aid and grant programs assigned to the board by the legislature and administered by the agency. To the extent the executive director finds the agency will not require the full sum provided in this subsection, a portion may be transferred to supplement financial grants-in-aid to eligible clients after notifying the board and the office of financial management of the intended transfer.)

(13) \$75,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for one-time costs associated with stabilizing the GEAR-UP scholarship program.

(14) \$3,100,000 of the general fund--state appropriation for fiscal year 2006 and \$3,100,000 of the general fund--state appropriation for fiscal year 2007 are for the health professions loan repayment and scholarship program.

(15) \$60,000 of the general fund--state appropriation for fiscal year 2006 and \$60,000 of the general fund--state appropriation for fiscal year 2007 are for the Washington center scholarship program.

(16) \$500,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for the board to contract with the Washington leadership 1000 scholarship fund. The funds shall be used to support, develop, and implement the leadership 1000 scholarship program which matches private benefactors with selected economically disadvantaged students who would otherwise be unable to attend college after depleting all other sources of scholarship and financial aid.

(17) By December 15th of each fiscal year, the board shall submit a report to the legislature detailing the outcomes from the previous year and a progress report on the current year for each of the student aid programs listed in this section: (a) The number of students served; (b) the award amount provided to students by sector; (c) the total amount spent; and (d) an explanation for any variation between the amount listed in the subsections and the amount expended.

**Sec. 611.** 2005 c 518 s 612 (uncodified) is amended to read as follows:

**WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD  
FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

General Fund--State Appropriation (FY 2006)	\$1,225,000
General Fund--State Appropriation (FY 2007)	<del>((1,231,000))</del>
	<u>\$1,363,000</u>
General Fund--Federal Appropriation	<del>((53,890,000))</del>
	<u>\$53,897,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$7,000</u>
<b>TOTAL APPROPRIATION</b>	<del>((56,346,000))</del>
	<u>\$56,492,000</u>

**Sec. 612.** 2005 c 518 s 613 (uncodified) is amended to read as follows:

**SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE  
FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE**

General Fund--State Appropriation (FY 2006)	<del>((1,446,000))</del>
	<u>\$1,483,000</u>
General Fund--State Appropriation (FY 2007)	<del>((1,476,000))</del>
	<u>\$1,514,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$8,000</u>
<b>TOTAL APPROPRIATION</b>	<del>((2,922,000))</del>
	<u>\$3,005,000</u>

The appropriations in this section are subject to the following conditions and limitations:

The legislature finds that economic development, especially in emerging technologies, is critical to Spokane and Eastern Washington. The principal goal of the state's investment in the Spokane intercollegiate research and technology institute (SIRTI) is to bridge the gap between academic discovery and economic development, thereby leveraging the state's investment in research. However, it is essential to find appropriate ways to mark the success of these efforts. By September 15, 2005, SIRTI shall develop a plan for review by the house of representatives higher education committee and the senate labor, commerce, research and development committee, describing the agency's

strategy and budget for commercial application of academic research. The plan shall include actions to be taken to select, develop, commercialize, and graduate clients. The plan shall also detail how to measure significant impacts to the overall economic climate of the Spokane region, including job creation and wages, that are attributable to SIRTII.

**Sec. 613.** 2005 c 518 s 614 (uncodified) is amended to read as follows:

WASHINGTON STATE ARTS COMMISSION

**FOR THE WASHINGTON STATE ARTS COMMISSION**

General Fund--State Appropriation (FY 2006)	\$2,322,000
General Fund--State Appropriation (FY 2007)	(( <del>\$2,349,000</del> ))
	<u>\$2,356,000</u>
General Fund--Federal Appropriation	(( <del>\$1,300,000</del> ))
	<u>\$1,350,000</u>
General Fund--Private/Local Appropriation (FY 2007)	(( <del>\$1,000</del> ))
	<u>\$151,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$6,000</u>
<b>TOTAL APPROPRIATION</b>	<b>((<del>\$5,972,000</del>))</b>
	<b><u>\$6,185,000</u></b>

**Sec. 614.** 2005 c 518 s 615 (uncodified) is amended to read as follows:

WASHINGTON STATE HISTORICAL SOCIETY

**FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

General Fund--State Appropriation (FY 2006)	(( <del>\$3,408,000</del> ))
	<u>\$3,407,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$2,757,000</del> ))
	<u>\$2,763,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$13,000</u>
<b>TOTAL APPROPRIATION</b>	<b>((<del>\$6,165,000</del>))</b>
	<b><u>\$6,183,000</u></b>

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$102,000 of the general fund--state appropriation for fiscal year 2006 and \$95,000 of the general fund--state appropriation for fiscal year 2007 are provided solely to implement Senate Bill No. 5707 (women's history consortium). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse.
- (2) \$262,000 of the general fund--state appropriation for fiscal year 2006 is provided solely to coordinate and fund programs related to the Lewis and Clark bicentennial commemoration.
- (3) \$155,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for reimbursement of costs incurred by the Pacific county sheriff's office resulting from Lewis and Clark bicentennial commemoration events.
- (4) \$100,000 of the general fund--state appropriation for fiscal year 2006 is provided solely for reimbursement of costs incurred by local law enforcement resulting from Lewis and Clark bicentennial commemoration events scheduled in the cities of Clarkston, Dayton, Kennewick, Stevenson, Toppenish, and Vancouver.

**Sec. 615.** 2005 c 518 s 616 (uncodified) is amended to read as follows:

EASTERN WASHINGTON STATE HISTORICAL SOCIETY

**FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

General Fund--State Appropriation (FY 2006)	(( <del>\$1,636,000</del> ))
	<u>\$1,633,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$1,630,000</del> ))
	<u>\$1,631,000</u>
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$8,000</u>
<b>TOTAL APPROPRIATION</b>	<b>((<del>\$3,266,000</del>))</b>
	<b><u>\$3,272,000</u></b>

**Sec. 616.** 2005 c 518 s 617 (uncodified) is amended to read as follows:

STATE SCHOOL FOR THE BLIND

**FOR THE STATE SCHOOL FOR THE BLIND**

General Fund--State Appropriation (FY 2006)	(( <del>\$5,133,000</del> ))
	<u>\$5,149,000</u>
General Fund--State Appropriation (FY 2007)	(( <del>\$5,251,000</del> ))
	<u>\$5,285,000</u>
General Fund--Private/Local Appropriation	\$1,335,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$38,000</u>
<b>TOTAL APPROPRIATION</b>	<b>((<del>\$11,719,000</del>))</b>

\$11,807,000

**Sec. 617.** 2005 c 518 s 618 (uncodified) is amended to read as follows:

STATE SCHOOL FOR THE DEAF

**FOR THE STATE SCHOOL FOR THE DEAF**

General Fund--State Appropriation (FY 2006)	(( <u>\$8,419,000</u> ))
	<u>\$8,439,000</u>
General Fund--State Appropriation (FY 2007)	(( <u>\$8,613,000</u> ))
	<u>\$8,709,000</u>
General Fund--Private/Local Appropriation	\$232,000
<u>Pension Funding Stabilization Account--State Appropriation</u>	<u>\$50,000</u>
TOTAL APPROPRIATION	(( <u>\$17,264,000</u> ))
	<u>\$17,430,000</u>

**PART VII  
SPECIAL APPROPRIATIONS**

**Sec. 701.** 2005 c 518 s 701 (uncodified) is amended to read as follows:

STATE TREASURER--BOND RETIREMENT AND INTEREST

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2006)	(( <u>\$694,444,000</u> ))
	<u>\$640,544,000</u>
General Fund--State Appropriation (FY 2007)	(( <u>\$668,119,000</u> ))
	<u>\$783,019,000</u>
State Building Construction Account--State Appropriation	(( <u>\$3,924,000</u> ))
	<u>\$5,924,000</u>
State Taxable Building Construction Account--State Appropriation	(( <u>\$139,000</u> ))
	<u>\$539,000</u>
Gardner-Evans Higher Education Construction Account--State Appropriation	(( <u>\$1,215,000</u> ))
	<u>\$1,395,000</u>
<del>((Debt-Limit General Fund Bond Retirement Account--State Appropriation</del>	<del>.. \$4,113,000))</del>
Debt-Limit Reimbursable Bond Retirement Account--State Appropriation	\$2,583,000
TOTAL APPROPRIATION	(( <u>\$1,374,537,000</u> ))
	<u>\$1,434,004,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2006 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2006. \$100,000,000 of the fiscal year 2007 general fund--state appropriation is provided as a reserve for debt service payments in the 2007-09 biennium.

**Sec. 702.** 2005 c 518 s 702 (uncodified) is amended to read as follows:

STATE TREASURER--BOND RETIREMENT AND INTEREST

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

State Convention and Trade Center Account--State Appropriation	\$29,411,000
Accident Account--State Appropriation	(( <u>\$5,111,000</u> ))
	<u>\$5,112,000</u>
Medical Aid Account--State Appropriation	(( <u>\$5,111,000</u> ))
	<u>\$5,112,000</u>
TOTAL APPROPRIATION	(( <u>\$39,633,000</u> ))
	<u>\$39,635,000</u>

**Sec. 703.** 2005 c 518 s 703 (uncodified) is amended to read as follows:

STATE TREASURER--BOND RETIREMENT AND INTEREST

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund--State Appropriation (FY 2006)	\$24,588,000
General Fund--State Appropriation (FY 2007)	\$26,743,000
Nondebt-Limit Reimbursable Bond Retirement Account--State Appropriation	(( <u>\$131,844,000</u> ))
	<u>\$130,909,000</u>
TOTAL APPROPRIATION	(( <u>\$183,175,000</u> ))

\$182,240,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the nondebt-limit general fund bond retirement account.

**Sec. 704.** 2005 c 518 s 704 (uncodified) is amended to read as follows:

STATE TREASURER--BOND RETIREMENT AND INTEREST

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

General Fund--State Appropriation (FY 2006) .....	\$1,357,000
General Fund--State Appropriation (FY 2007) .....	\$1,357,000
State Building Construction Account--State Appropriation .....	\$1,080,000
State Taxable Building Construction Account--State Appropriation .....	(( <del>\$13,000</del> ))
	<u>\$78,000</u>
Gardner-Evans Higher Education Construction Account--State Appropriation .....	\$452,000
<b>TOTAL APPROPRIATION</b> .....	<b>((<del>\$4,259,000</del>))</b>
	<u>\$4,324,000</u>

**Sec. 705.** 2005 c 518 s 705 (uncodified) is amended to read as follows:

OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY POOL

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY POOL**

Disaster Response Account--State Appropriation .....	(( <del>\$4,000,000</del> ))
	<u>\$8,000,000</u>

The sum of ((~~\$4,000,000~~)) \$8,000,000 is appropriated from the disaster response account for the purpose of making allocations to the Washington state patrol for fire mobilizations costs or to the department of natural resources for fire suppression costs.

**NEW SECTION. Sec. 706.** A new section is added to 2005 c 518 (uncodified) to read as follows:

OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY**

General Fund--State Appropriation (FY 2006) .....	\$1,600,000
---	-------------

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for deposit into the disaster response account for the purposes specified in section 705 of this act.

**NEW SECTION. Sec. 707.** A new section is added to 2005 c 518 (uncodified) to read as follows:

SUNDRY CLAIMS

**FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may be necessary, are appropriated from the general fund, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims. These appropriations are to be disbursed on vouchers approved by the director of financial management, except as otherwise provided, as follows:

- (1) Reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110:
  - (a) Kirk F. Schultz, claim number SCJ 2006-01 .....
  - (b) Scott A. King, claim number SCJ 2006-02 .....
  - (c) Mark D. Huckaba, claim number SCJ 2006-03 .....
  - (d) James D. Brittain, claim number SCJ 2006-02 .....
- (2) Payment from the state wildlife account for damage to crops by wildlife pursuant to RCW 77.36.050:
  - (a) For deposit into the self-insurance liability account for reimbursement of payment made to Circle S Landscape, claim number SCG 2004-05 .....
  - (b) Venture Farms, claim number SCG 2005-03 .....
  - (c) Patrick O'Hagen, claim number SCG 2006-02 .....
  - (d) Patrick O'Hagen, claim number SCG 2006-03 .....
  - (e) Swampapple Enterprises, Inc., claim number SCG 2006-04 .....
  - (f) Wilbur H. Mundy, claim number SCG 2006-05 .....
  - (g) Sam Kayser, claim number SCG 2006-08 .....
- (3) Payment for reinterment of human remains from historic graves pursuant to RCW 68.60.050: Darrin Erdahl, claim number SCO 2006-01 .....

**Sec. 708.** 2005 c 518 s 713 (uncodified) is amended to read as follows:

DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS

**FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS.** The appropriations in this section are subject to the following conditions and limitations: The appropriations for the law enforcement officers' and firefighters'

retirement system shall be made on a monthly basis beginning July 1, 2005, consistent with chapter 41.45 RCW, and the appropriations for the judges and judicial retirement systems shall be made on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

(1) There is appropriated for state contributions to the law enforcement officers' and fire fighters' retirement system:

General Fund--State Appropriation (FY 2006)	.....	\$32,450,000
General Fund--State Appropriation (FY 2007)	.....	<del>(\$38,550,000)</del>
		<u>\$38,750,000</u>

(a) \$100,000 of the general fund--state appropriations for fiscal year 2006 and \$200,000 of the general fund--state appropriations for fiscal year 2007 are provided solely to implement Substitute House Bill No. 1936 (emergency medical technicians). If the bill is not enacted by June 30, 2005, the amounts provided shall lapse.

(b) \$950,000 of the general fund--state appropriation for fiscal year 2006 and \$950,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the state contributions required under Substitute Senate Bill No. 5615 (law enforcement officers' and fire fighters' retirement system plan 2 disability benefit). If the bill is not enacted by June 30, 2005, the amounts provided shall lapse.

(c) \$100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Substitute House Bill No. 2932 (catastrophic disability). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(d) \$100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to implement Substitute House Bill No. 2934 (survivor health benefits). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(2) There is appropriated for contributions to the judicial retirement system:

General Fund--State Appropriation (FY 2006)	.....	<del>(\$6,000,000)</del>
		<u>\$6,601,000</u>
General Fund--State Appropriation (FY 2007)	.....	<del>(\$6,000,000)</del>
		<u>\$9,539,000</u>

(3) There is appropriated for contributions to the judges retirement system:

General Fund--State Appropriation (FY 2006)	.....	\$300,000
General Fund--State Appropriation (FY 2007)	.....	\$300,000
TOTAL APPROPRIATION	.....	<del>(\$83,600,000)</del>
		<u>\$87,940,000</u>

NEW SECTION. Sec. 709. A new section is added to 2005 c 518 (uncodified) to read as follows:

**GOVERNOR--EMERGENCY COMMUNICATIONS INTEROPERABILITY  
FOR THE GOVERNOR--EMERGENCY COMMUNICATIONS INTEROPERABILITY**

Public Safety and Education Account--State Appropriation	.....	\$500,000
--	-------	-----------

The appropriation in this section is subject to the following conditions and limitations: Funds are provided for acquisition and deployment of interoperable telecommunications devices to local jurisdictions. One program manager position is provided to assist local and state public safety providers improve their interoperability readiness and enhance levels of cooperation and coordination. The governor shall allocate these funds as necessary with consultive assistance from the state interoperability executive committee.

Sec. 710. 2005 c 518 s 716 (uncodified) is amended to read as follows:

**GOVERNOR--LIFE SCIENCES DISCOVERY FUND AUTHORITY  
FOR THE GOVERNOR--LIFE SCIENCES DISCOVERY FUND AUTHORITY**

General Fund--State Appropriation (FY 2006)	.....	\$150,000
General Fund--State Appropriation (FY 2007)	.....	\$992,000
TOTAL APPROPRIATION	.....	<u>\$1,142,000</u>

The ~~((appropriation))~~ appropriations in this section ~~((is))~~ are subject to the following conditions and limitations: The ~~((appropriation))~~ appropriations in this section ~~((is))~~ are provided solely for a grant to the life sciences discovery fund authority to be used in accordance with ~~((Engrossed Second Substitute Senate Bill No. 5584 (life sciences)))~~ chapter 424, Laws of 2005 (life sciences research). ~~((If the bill is not enacted by June 30, 2005, the appropriation in this section shall lapse.))~~

Sec. 711. 2005 c 518 s 720 (uncodified) is amended to read as follows:

**STRATEGIC PURCHASING STRATEGY**~~STRATEGIC PURCHASING STRATEGY~~. (1) The office of financial management shall work with the appropriate state agencies to generate savings of ~~(((\$50,000,000, of which))~~ \$25,000,000 ~~((shall be))~~ from the state general fund, that can arise from a strategic purchasing strategy. From appropriations in this act, the office of financial management shall reduce general fund--state allotments by ~~(((\$8))~~ \$4 million for fiscal year 2006 and by ~~(((\$17))~~ \$21 million for fiscal year 2007 to reflect the savings from the strategic purchasing strategy. The allotment reductions shall be placed in unallotted status and remain unexpended. These unexpended amounts shall lapse to the state general fund at the end of each fiscal year.

(2) The department of general administration, with the assistance of the department of information services and the department of printing and in consultation with the office of financial management, shall conduct an analysis of the state's purchasing processes to identify the most reasonable strategy of attaining a statewide savings target of ~~(((\$50,000,000))~~ \$25,000,000 from the state general fund without affecting direct

program activities. The analysis shall identify savings by agency and fund that will result from the implementation of a strategic purchasing strategy. The results of this analysis shall then be provided to the director of financial management by October 1, 2005, and updated as needed, so the director may use it as the basis to achieve the savings identified in subsection (1) of this section.

(3) Before the purchase of goods and services, all state agencies and higher education institutions shall first consider the utilization of current or existing master contracts. All state agencies and higher education institutions shall strive to use master contracts when that use is consistent with the agency's requirements and purchase is financially cost-effective.

**NEW SECTION. Sec. 712.** A new section is added to 2005 c 518 (uncodified) to read as follows:

**OFFICE OF FINANCIAL MANAGEMENT--ENERGY FREEDOM ACCOUNT**

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--ENERGY FREEDOM ACCOUNT**

General Fund--State Appropriation (FY 2007) ..... \$25,000,000

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation is provided solely for deposit into the energy freedom account. The appropriation in this section constitutes funding for purposes of section 15 of Engrossed Third Substitute House Bill No. 2939. If Engrossed Third Substitute House Bill No. 2939 (energy freedom) is not enacted by June 30, 2006, the appropriation in this section shall lapse.

(2) Of the amounts deposited into the energy freedom account pursuant to this appropriation, \$2,000,000 is provided solely to be appropriated from the energy freedom account for a loan to the Grays Harbor county bioenergy project (06-04-852).

**NEW SECTION. Sec. 713.** A new section is added to 2005 c 518 (uncodified) to read as follows:

**OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

General Fund--State Appropriation (FY 2007) ..... \$1,100,000

Special Account Retirement Contribution

Increase Revolving Account Appropriation ..... \$200,000

TOTAL APPROPRIATION ..... \$1,300,000

The appropriations in this subsection are subject to the following conditions and limitations:

(1) \$500,000 of the general fund--state appropriation for fiscal year 2007 and \$200,000 of the special account retirement contribution appropriation are provided solely to adjust agency appropriations to reflect increased employer contributions pursuant to House Bill No. 2687 (\$1000 minimum benefit). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(2) \$600,000 of the general fund--state appropriation for fiscal year 2007 is provided solely to reflect increased employer contributions pursuant to House Bill No. 2684 (plan 3 five-year vesting). If the bill is not enacted by June 30, 2006, the amount provided in this subsection shall lapse.

(3) To facilitate the transfer of moneys to dedicated funds and accounts, the state treasurer shall transfer sufficient moneys to each dedicated fund or account from the special account retirement contribution increase revolving account in accordance with schedules provided by the office of financial management.

**NEW SECTION. Sec. 714.** A new section is added to 2005 c 518 (uncodified) to read as follows:

**OFFICE OF FINANCIAL MANAGEMENT--WASHINGTON HOUSING TRUST FUND**

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--WASHINGTON HOUSING TRUST FUND**

General Fund--State Appropriation (FY 2007) ..... \$25,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for deposit into the Washington housing trust fund. The appropriation in this section constitutes funding for purposes of section 15 of Engrossed Second Substitute House Bill No. 2418 (affordable housing). If Engrossed Second Substitute House Bill No. 2418 is not enacted by June 30, 2006, the appropriation in this section shall lapse.

**NEW SECTION. Sec. 715.** A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--PERSONNEL LITIGATION SETTLEMENT**

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--PERSONNEL LITIGATION SETTLEMENT**

General Fund--State Appropriation (FY 2007) ..... \$11,813,000

Special Personnel Litigation Revolving Account Appropriation ..... \$10,689,000

TOTAL APPROPRIATION ..... \$22,502,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire appropriation is provided solely for the purposes of the settlement of litigation involving compensation differentials among personnel classes, *W.P.E.A. v. State of Washington*.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer shall transfer sufficient moneys from each dedicated fund or account, including local funds of state agencies and institutions of higher education, to the special personnel litigation revolving account in accordance with schedules provided by the office of financial management.

**NEW SECTION. Sec. 716.** A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--PENSION FUNDING STABILIZATION ACCOUNT  
FOR THE OFFICE OF FINANCIAL MANAGEMENT--PENSION FUNDING STABILIZATION ACCOUNT**

General Fund--State Appropriation (FY 2007) ..... \$48,599,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for deposit into the pension funding stabilization account for the purpose of reducing the unfunded public employees' retirement system and teachers' retirement system pension liability. If the bill creating this account is not enacted by June 30, 2006, the appropriation in this section shall lapse.

**NEW SECTION. Sec. 717.** A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS TO RETIREMENT SYSTEMS  
FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS TO RETIREMENT SYSTEMS.**

(1) Beginning September 1, 2006, the following employer contribution rates are established in addition to already established employer contribution rates: For all members of the teachers' retirement system, an additional 1.29 percent; for all members of the school employees' retirement system, an additional 0.87 percent.

(2) Beginning January 1, 2007, the following employer contribution rate is established in addition to the already established employer contribution rate: For all members of the public employees' retirement system and the public safety employees' retirement system, an additional 1.77 percent.

(3) Funds collected through these additional rates are to be used as contributions to the unfunded liabilities of the public employees' retirement system plan 1 and the teachers' retirement system plan 1.

**NEW SECTION. Sec. 718.** A new section is added to 2005 c 518 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--VETERANS INNOVATIONS PROGRAM ACCOUNT  
FOR THE OFFICE OF FINANCIAL MANAGEMENT--VETERANS INNOVATIONS PROGRAM ACCOUNT**

General Fund--State Appropriation (FY 2007) ..... \$3,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for deposit into the veterans innovations program account. If Engrossed Second Substitute House Bill No. 2754 (veterans' programs) is not enacted by June 30, 2006, the appropriation in this section shall lapse.

**Sec. 719.** 2005 c 518 s 724 (uncodified) is amended to read as follows:

**INCENTIVE SAVINGS--FY 2006**

**INCENTIVE SAVINGS--FY 2006.** The sum of one hundred million dollars or so much thereof as may be available on June 30, 2006, from the total amount of unspent fiscal year 2006 state general fund appropriations, exclusive of amounts placed in unallotted status pursuant to section 711 of this act, is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

**Sec. 720.** 2005 c 518 s 725 (uncodified) is amended to read as follows:

**INCENTIVE SAVINGS--FY 2007**

**INCENTIVE SAVINGS--FY 2007.** The sum of one hundred million dollars or so much thereof as may be available on June 30, 2007, from the total amount of unspent fiscal year 2007 state general fund appropriations, exclusive of amounts placed in unallotted status pursuant to section 711 of this act, is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

(End of part)

**PART VIII  
OTHER TRANSFERS AND APPROPRIATIONS**

**Sec. 801.** 2005 c 518 s 801 (uncodified) is amended to read as follows:

STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

**FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION**

General Fund Appropriation for fire insurance premium distributions .....	(( <del>\$6,577,000</del> ))
	<u>\$6,561,000</u>
General Fund Appropriation for public utility district excise tax distributions .....	(( <del>\$45,422,000</del> ))
	<u>\$44,292,000</u>
General Fund Appropriation for prosecuting attorney distributions .....	(( <del>\$3,457,000</del> ))
	<u>\$3,568,000</u>
General Fund Appropriation for boating safety and education distributions .....	(( <del>\$4,430,000</del> ))
	<u>\$4,252,000</u>
General Fund Appropriation for other tax distributions .....	\$38,000
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies .....	\$1,969,000
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution .....	\$147,000
Timber Tax Distribution Account Appropriation for distribution to "timber" counties .....	(( <del>\$71,110,000</del> ))
	<u>\$83,325,000</u>
County Criminal Justice Assistance Appropriation .....	(( <del>\$53,914,000</del> ))
	<u>\$53,650,000</u>
Municipal Criminal Justice Assistance Appropriation .....	(( <del>\$21,104,000</del> ))
	<u>\$21,315,000</u>
Liquor Excise Tax Account Appropriation for liquor excise tax distribution .....	(( <del>\$37,413,000</del> ))
	<u>\$40,512,000</u>
Liquor Revolving Account Appropriation for liquor profits distribution .....	(( <del>\$76,186,000</del> ))
	<u>\$88,818,000</u>
City-County Assistance Account Appropriation for local government financial assistance distribution .....	\$20,100,000
<b>TOTAL APPROPRIATION .....</b>	<b>((<del>\$350,527,000</del>))</b>
	<b><u>\$368,547,000</u></b>

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

**Sec. 802.** 2005 c 518 s 802 (uncodified) is amended to read as follows:

STATE TREASURER--COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT

**FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

Impaired Driving Safety Account Appropriation .....	(( <del>\$1,913,400</del> ))
	<u>\$2,050,000</u>

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2005-07 biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**Sec. 803.** 2005 c 518 s 803 (uncodified) is amended to read as follows:

STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

**FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

Impaired Driving Safety Account Appropriation .....	(( <del>\$1,275,600</del> ))
	<u>\$1,367,000</u>

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2005-07 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**Sec. 804.** 2005 c 518 s 804 (uncodified) is amended to read as follows:

STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION  
**FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**

General Fund Appropriation for federal grazing fees distribution .....	(( <del>\$1,632,000</del> ))
	<u>\$1,644,000</u>
General Fund Appropriation for federal flood control funds distribution .....	\$68,000
Forest Reserve Fund Appropriation for federal forest reserve fund distribution .....	\$84,500,000
TOTAL APPROPRIATION .....	(( <del>\$86,200,000</del> ))
	<u>\$86,212,000</u>

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

**Sec. 805.** 2005 c 518 s 805 (uncodified) is amended to read as follows:

STATE TREASURER--TRANSFERS

**FOR THE STATE TREASURER--TRANSFERS.** For transfers in this section to the state general fund, pursuant to RCW 43.135.035(5), the state expenditure limit shall be increased by the amount of the transfer. The increase shall occur in the fiscal year in which the transfer occurs.

State Convention and Trade Center Account:

For transfer to the state general fund, \$5,150,000 for fiscal year 2006 and \$5,150,000 for fiscal year 2007 .....	\$10,300,000
General Fund: For transfer to the tourism development and promotion account, \$150,000 for fiscal year 2006 and \$150,000 for fiscal year 2007 .....	\$300,000
Financial Services Regulation Account: For transfer to the state general fund, \$778,000 for fiscal year 2006 and \$779,000 for fiscal year 2007 .....	\$1,557,000
Public Works Assistance Account: For transfer to the drinking water assistance account, \$8,400,000 for fiscal year 2006 .....	\$8,400,000
Tobacco Settlement Account: For transfer to the health services account, in an amount not to exceed the actual balance of the tobacco settlement account .....	\$185,823,000
Health Services Account: For transfer to the state general fund, \$45,000,000 for fiscal year 2006 .....	\$45,000,000
Health Services Account: For transfer to the tobacco prevention and control account .....	(( <del>\$23,366,000</del> ))
	<u>\$25,086,000</u>
Health Services Account: For transfer to the water quality account .....	\$7,885,000
Health Services Account: For transfer to the violence reduction and drug enforcement account .....	\$6,932,000
Public Employees' and Retirees' Insurance Account:	
For transfer to the state general fund, \$40,000,000 for fiscal year 2006 and \$45,000,000 for fiscal year 2007 .....	\$85,000,000
Department of Retirement Systems Expense Account:	
For transfer to the state general fund, \$2,000,000 for fiscal year 2006 .....	\$2,000,000
Secretary of State's Revolving Account: For transfer to the state general fund, \$250,000 for fiscal year 2006 and \$250,000 for fiscal year 2007 .....	\$500,000
State Treasurer's Service Account: For transfer to the state general fund, (( <del>\$5,500,000</del> )) <u>\$9,500,000</u> for fiscal year 2006 and (( <del>\$5,000,000</del> )) <u>\$7,000,000</u> for fiscal year 2007 .....	(( <del>\$10,500,000</del> ))
	<u>\$16,500,000</u>
General Fund: For transfer to the water quality account, \$318,000 for fiscal year 2006 and \$319,000 for fiscal year 2007 .....	\$637,000
State Toxics Control Account: For transfer to the water quality account .....	\$12,500,000
Water Quality Account: For transfer to the water pollution control revolving account .....	(( <del>\$10,534,000</del> ))
	<u>\$16,534,000</u>
Pollution Liability Insurance Trust Account: For transfer to the state general fund .....	(( <del>\$7,500,000</del> ))
	<u>\$3,750,000</u>
Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account, an amount not to exceed .....	(( <del>\$15,000,000</del> ))
	<u>\$21,800,000</u>
Waste Reduction, Recycling, and Litter Control Account: For transfer to the state general fund, \$1,000,000 for fiscal year 2006 and \$1,000,000 for fiscal year 2007 .....	\$2,000,000
Public Works Assistance Account: For transfer to the public facility construction loan revolving account, \$4,500,000 for fiscal year 2006 .....	\$4,500,000
Nisqually Earthquake Account: For transfer to the disaster response account, \$3,000,000 for fiscal year 2006 .....	\$3,000,000
Natural Resources Equipment Revolving Fund: For transfer to the state general fund for fiscal	

year 2006 .....	\$1,000,000
General Fund: For transfer to the violence reduction and drug enforcement account, \$1,500,000 for fiscal year 2006 and \$1,500,000 for fiscal year 2007 .....	\$3,000,000
Education Legacy Trust Account: For transfer to the student achievement account, <del>((35,541,000))</del> <u>\$35,555,000</u> for fiscal year 2006 and <del>((102,697,000))</del> <u>\$103,046,000</u> for fiscal year 2007 .....	<del>((138,238,000))</del> <u>\$138,601,000</u>

**Sec. 806.** 2005 c 518 s 806 (uncodified) is amended to read as follows:

**STATE TREASURER--TRANSFERS**

**FOR THE STATE TREASURER--TRANSFERS.** For transfers in this section to the state general fund, pursuant to RCW 43.135.035(5), the state expenditure limit shall be increased by the amount of the transfer. The increase shall occur in the fiscal year in which the transfer occurs. The transfers are subject to the enactment of Senate Bill No. 5391 (tricare supplemental insurance), chapter 46, Laws of 2005.

Public Employees' and Retirees' Insurance Account:

For transfer to the state general fund, \$5,000,000 <del>((for fiscal year 2006 and \$12,000,000))</del> for fiscal year 2007 .....	<del>((17,000,000))</del> <u>\$5,000,000</u>
--	---

~~((General Fund--State Account: For transfer to the tourism development and promotion  
account, \$150,000 for fiscal year 2006 and \$150,000 for fiscal year 2007-- .....~~ ~~\$300,000))~~

**PART IX  
MISCELLANEOUS**

**Sec. 901.** 2005 c 518 s 948 (uncodified) is amended to read as follows:

**COMPENSATION--INSURANCE BENEFITS**

**COMPENSATION--INSURANCE BENEFITS.** The appropriations for state agencies, including institutions of higher education are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$663.00 per eligible employee for fiscal year 2006. For fiscal year 2007 the monthly employer funding rate shall not exceed \$744.00 per eligible employee represented by a collective bargaining unit under the personnel system reform act of 2002, or \$618.00 per eligible nonrepresented employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2006, through December 31, 2006, the subsidy shall be \$131.87. Starting January 1, 2007, the subsidy shall be \$149.67 per month.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, \$48.42 per month beginning September 1, 2005, and ~~((55.73))~~ \$55.15 beginning September 1, 2006;

(b) For each part-time employee who, at the time of the remittance, is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, \$48.42 each month beginning September 1, 2005, and ~~((55.73))~~ \$55.15 beginning September 1, 2006, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

**Sec. 902.** 2005 c 518 s 963 (uncodified) is amended to read as follows:

**COLLECTIVE BARGAINING AGREEMENT--~~((WPEA))~~ PSE/PROFESSIONAL ~~((LOCAL 365 UNIT C))~~**

**TECHNICAL EMPLOYEES--WESTERN WASHINGTON UNIVERSITY.** Budget amounts reflect the collective bargaining agreement reached between the Western Washington University and the public school employees of Washington ~~((Public Employees Association bargaining unit C))~~ professional technical employees under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective retroactive to July 1, 2005. Provisions also include a 1.6% increase effective July 1, 2006, until June 30, 2007, and for implementation of the department of personnel 2002 salary survey for classes more than 25% below market rates.

NEW SECTION. **Sec. 903.** A new section is added to 2005 c 518 (uncodified) to read as follows:

## COLLECTIVE BARGAINING AGREEMENT--WASHINGTON STATE UNIVERSITY, WFSE BU 2

**COLLECTIVE BARGAINING AGREEMENT--WASHINGTON STATE UNIVERSITY, WFSE BU 2.** Budget amounts reflect the collective bargaining agreement reached between Washington State University and the Washington federation of state employees bargaining unit 2 -- service employees under the personnel system reform act of 2002. For employees covered under this agreement, provisions include a 3.2% salary increase effective retroactive to July 1, 2005. Provisions also include a one-time 2% lump sum payment effective July 1, 2006, and implementation of the department of personnel 2002 salary survey for classes more than 25% below market rate.

**Sec. 904.** RCW 90.56.120 and 2005 c 304 s 2 are each amended to read as follows:

(1)(a) There is established in the office of the governor the oil spill advisory council.

(b) The primary purpose of the council is to maintain the state's vigilance in, by ensuring an emphasis on, the prevention of oil spills to marine waters, while recognizing the importance of also improving preparedness and response.

(c) The council shall be an advisory body only.

(2)(a) In addition to members appointed under (b) of this subsection, the council is composed of the chair-facilitator and sixteen members representing various interests as follows:

(i) Three representatives of environmental organizations;

(ii) One representative of commercial shellfish interests;

(iii) One representative of commercial fisheries that primarily fishes in Washington waters;

(iv) One representative of marine recreation;

(v) One representative of tourism interests;

(vi) Three representatives of county government from counties bordering Puget Sound, the Columbia river/Pacific Ocean, and the Strait of Juan de Fuca/San Juan Islands;

(vii) One representative of marine labor;

(viii) Two representatives of marine trade interests;

(ix) One representative of major oil facilities;

(x) One representative of public ports; and

(xi) An individual who resides on a shoreline who has an interest, experience, and familiarity in the protection of water quality.

(b) In addition to the members identified in this subsection, the governor shall invite the participation of tribal governments through the appointment of two representatives to the council.

(3) Appointments to the council shall reflect a geographical balance and the diversity of populations within the areas potentially affected by oil spills to state waters.

(4) Members shall be appointed by the governor and shall serve four-year terms, except the initial members appointed to the council. Initial members to the council shall be appointed as follows: Six shall serve two-year terms, six shall serve three-year terms, and seven shall serve four-year terms. Vacancies shall be filled by appointment in the same manner as the original appointment for the remainder of the unexpired term of the position vacated. Members serve at the pleasure of the governor.

(5) The governor shall appoint a chair-facilitator who shall serve as a nonvoting member of the council. The chair shall not be an employee of a state agency, nor shall the chair have a financial interest in matters relating to oil spill prevention, preparedness, and response. The chair shall convene the council at least four times per year. At least one meeting per year shall be held in a Columbia river community, an ocean coastal community, and a Puget Sound community. The chair shall consult with council members in setting agendas and determining meeting times and locations.

(6) All members shall be reimbursed for travel expenses while attending meetings of the council or technical advisory committees, or when on official business authorized by the chair-facilitator, as provided in RCW 43.03.050 and 43.03.060. Members of the council identified in subsection (2)(a)(i), (ii), (iii), (iv), (v), (vi), (vii), and (xi) of this section and the chair-facilitator shall each be compensated on a per diem basis as a class two group according to RCW 43.03.230.

(7) The first meeting of the council shall be convened by the governor or the governor's designee. Other meetings may be convened by a vote of at least a majority of the voting members of the council, or by call of the chair. All meetings are subject to the open public meetings act. The council shall maintain minutes of all meetings.

(8) To the extent possible, all decisions of the council shall be by the consensus of the members. If consensus is not possible, nine voting members of the council may call for a vote on a matter. When a vote is called, all decisions shall be determined by a majority vote of the voting members present. Two-thirds of the voting members are required to be present for a quorum for all votes. The subject matter of all votes and the vote tallies shall be recorded in the minutes of the council.

(9) The council may form subcommittees and technical advisory committees.

**NEW SECTION. Sec. 905.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

**NEW SECTION. Sec. 906.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Correct the title.

Signed by Representatives Sommers, Chairman; Fromhold, Vice Chairman; Cody; Conway; Darneille; Dunshee; Grant; Haigh; Hunter; Kagi; Kenney; Kessler; Linville; McDermott; McIntire; Miloscia; Schual-Berke and P. Sullivan.

MINORITY recommendation: Do not pass. Signed by Representatives Alexander, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; Armstrong; Bailey; Buri; Chandler; Clements; Hinkle; McDonald; Pearson; Priest; Talcott and Walsh.

Passed to Committee on Rules for second reading.

February 21, 2006

E2SSB 6459 Prime Sponsor, Senate Committee On Ways & Means: Supporting community-based health care solutions. Reported by Committee on Health Care

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander; Appleton; Bailey; Clibborn; Condotta; Green; Lantz; Moeller; Morrell; Schual-Berke and Skinner.

Referred to Committee on Appropriations.

February 21, 2006

SB 6463 Prime Sponsor, Senator Fairley: Allowing banks and savings banks to organize as limited liability companies. Reported by Committee on Financial Institutions & Insurance

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chairman; Ericks, Vice Chairman; Roach, Ranking Minority Member; Tom, Assistant Ranking Minority Member; Newhouse; O'Brien; Santos; Serben; Simpson; Strow and Williams.

Passed to Committee on Rules for second reading.

February 22, 2006

ESSB 6475 Prime Sponsor, Senate Committee On Early Learning, K-12 & Higher Education: Authorizing alternative methods of assessment and appeal processes for the certificate of academic achievement. Reported by Committee on Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. A new section is added to chapter 28A.655 RCW to read as follows:

(1) The legislature has made a commitment to rigorous academic standards for receipt of a high school diploma. The primary way that students will demonstrate that they meet the standards in reading, writing, mathematics, and science is through the Washington assessment of student learning. Only objective assessments that are comparable in rigor to the state assessment are authorized as an alternative assessment. Before seeking an alternative assessment, the legislature expects students to make a genuine effort to meet state standards, through retaking the Washington assessment of student learning; regular and consistent attendance at school; and participation in extended learning and other assistance programs.

(2) Under RCW 28A.655.061, beginning in the 2006-07 school year, the superintendent of public instruction shall implement three objective alternative assessment methods as provided in this section for students to demonstrate achievement of the state standards in content areas in which the student has not yet met the standard on the high school Washington assessment of student learning. A student may access an alternative if the student meets applicable eligibility criteria in RCW 28A.655.061 and other eligibility criteria established by the superintendent of public instruction, including but not limited to a ninety-five percent minimum attendance criterion and required participation in the remediation or supplemental instruction contained in the student learning plan developed under RCW 28A.655.061. A school district may waive the attendance and remediation requirement for special, unavoidable circumstances.

(3) For the purposes of this section, "applicant" means a student seeking to use one of the alternative assessment methods in this section.

(4) The primary alternative assessment method shall be a combination of the applicant's grades in applicable courses and the applicant's highest score on the high school Washington assessment of student learning, as provided in this subsection.

(a) Using guidelines prepared by the superintendent of public instruction, a school district shall identify the group of students in the same school as the applicant who took the same high school courses as the applicant in the applicable content area. From the group of students identified in this manner, the district shall select the comparison cohort that shall be those students who met or slightly exceeded the state standard on the Washington assessment of student learning.

(b) The district shall compare the applicant's grades in high school courses in the applicable content area to the grades of students in the comparison cohort for the same high school courses. If the applicant's grades are above the median grades of the comparison cohort, the applicant shall be deemed to have met the state standard on the alternative assessment.

(c) An applicant may not use the alternative assessment under this subsection (4) if there are fewer than six students in the comparison cohort.

(5) The superintendent of public instruction shall also develop an alternative assessment method that shall be an evaluation of a collection of work samples prepared and submitted by the applicant, as provided in this subsection and, for career and technical applicants, the additional requirements of subsection (6) of this section. The collection of work samples may be implemented as an alternative assessment if there are fewer than six students in the applicant's comparison cohort under subsection (4) of this section or if the applicant is enrolled in a career and technical program approved under section 2 of this act. The collection of work samples may be implemented as an alternative assessment for other applicants

only if formally approved by the legislature through the omnibus appropriations act, statute, or concurrent resolution.

(a) The superintendent of public instruction shall develop guidelines for the types and number of work samples in each content area that may be submitted as a collection of evidence that the applicant has met the state standard in that content area. Work samples may be collected from academic, career and technical, or remedial courses and may include performance tasks as well as written products.

(b) The superintendent shall develop protocols for submission of the collection of work samples that include affidavits from the applicant's teachers and school district that the samples are the work of the applicant and a requirement that a portion of the samples be prepared under the direct supervision of a classroom teacher.

(c) The superintendent shall develop uniform scoring criteria for evaluating the collection of work samples. Collections shall be scored at the state level or regionally by a panel of educators selected and trained by the superintendent to ensure objectivity, reliability, and rigor in the evaluation. An educator may not score work samples submitted by applicants from the educator's school district. If the panel awards an applicant's collection of work samples the minimum required score, the applicant shall be deemed to have met the state standard on the alternative assessment.

(6)(a) For students enrolled in a career and technical education program approved under section 2 of this act, the superintendent of public instruction shall develop guidelines for a collection of work samples that evidences that the collection:

(i) Is relevant to the student's particular career and technical program;

(ii) Focuses on the application of academic knowledge and skills within the program;

(iii) Includes completed activities or projects where demonstration of academic knowledge is inferred; and

(iv) Is related to the essential academic learning requirements and state standards that students must meet to earn a certificate of academic achievement or certificate of individual achievement, but also represents the knowledge and skills that successful individuals in the career and technical field of the approved program are expected to possess.

(b) To meet the state standard on the alternative assessment under this subsection (6), an applicant must also attain the state or nationally recognized certificate or credential associated with the approved career and technical program.

(c) The superintendent shall consult with community and technical colleges, employers, the work force training and education coordinating board, apprenticeship programs, and other regional and national experts in career and technical education to create an appropriate collection of work samples and other evidence of a career and technical student's knowledge and skills on the state academic standards.

(7) The superintendent of public instruction shall study the feasibility of using existing mathematics assessments in languages other than English as an additional alternative assessment option. The study shall include an estimation of the cost of translating the tenth grade mathematics assessment into other languages and scoring the assessments should they be implemented.

(8) The superintendent of public instruction shall implement:

(a) By June 1, 2006, a process for students to appeal the score they received on the high school assessments; and

(b) By January 1, 2007, guidelines and appeal processes for waiving specific requirements in RCW 28A.655.061 pertaining to the certificate of academic achievement and to the certificate of

individual achievement for students who: (i) Transfer to a Washington public school in their junior or senior year with the intent of obtaining a public high school diploma, or (ii) have special, unavoidable circumstances.

(9) The superintendent of public instruction may adopt rules to implement this section.

**NEW SECTION. Sec. 2.** A new section is added to chapter 28C.04 RCW to read as follows:

The superintendent of public instruction shall develop a list of approved career and technical education programs that qualify for the objective alternative assessment for career and technical students developed under section 1 of this act. Programs on the list must meet the following minimum criteria:

(1) Lead to a certificate or credential that is state or nationally recognized by trades, industries, or other professional associations as necessary for employment or advancement in that field;

(2) Require a sequenced progression of multiple courses, both exploratory and preparatory, that are vocationally intensive and rigorous; and

(3) Have a high potential for providing the program completer with gainful employment or entry into a postsecondary work force training program.

**NEW SECTION. Sec. 3.** By September 2006, the superintendent of public instruction shall report the following, in detail, to the education committees of the legislature:

(1) Results of the pilot testing of the alternative assessments authorized under section 1 of this act;

(2) The proposed guidelines, protocols, and procedures to be used by the superintendent in implementing the alternative assessments, particularly the collection of evidence;

(3) A description of the training to be provided for school districts, educators serving on scoring panels, and teachers assisting students with collections of evidence;

(4) Preliminary results of the feasibility study in section 1(7) of this act; and

(5) Updated estimates of the number of students likely to be eligible or apply for either alternative assessment method.

**Sec. 4.** RCW 28A.655.061 and 2004 c 19 s 101 are each amended to read as follows:

(1) The high school assessment system shall include but need not be limited to the Washington assessment of student learning, opportunities for a student to retake the content areas of the assessment in which the student was not successful, and if approved by the legislature pursuant to subsection ~~((1+))~~ (10) of this section, one or more objective alternative assessments for a student to demonstrate achievement of state academic standards. The objective alternative assessments for each content area shall be comparable in rigor to the skills and knowledge that the student must demonstrate on the Washington assessment of student learning for each content area.

(2) Subject to the conditions in this section, a certificate of academic achievement shall be obtained by most students at about the age of sixteen, and is evidence that the students have successfully met the state standard in the content areas included in the certificate. With the exception of students satisfying the provisions of RCW 28A.155.045, acquisition of the certificate is required for graduation from a public high school but is not the only requirement for graduation.

(3) Beginning with the graduating class of 2008, with the exception of students satisfying the provisions of RCW 28A.155.045, a student who meets the state standards on the reading, writing, and mathematics content areas of the high school Washington assessment of student learning shall earn a certificate of academic achievement. If a student does not successfully meet the state standards in one or more content areas required for the certificate of academic achievement, then the student may retake the assessment in the content area up to four times at no cost to the student. If the student successfully meets the state standards on a retake of the assessment then the student shall earn a certificate of academic achievement. Once objective alternative assessments are authorized pursuant to subsection ~~((11))~~ (10) of this section, a student may use the objective alternative assessments to demonstrate that the student successfully meets the state standards for that content area if the student has retaken the Washington assessment of student learning at least once. If the student successfully meets the state standards on the objective alternative assessments then the student shall earn a certificate of academic achievement. ~~((The student's transcript shall note whether the certificate of academic achievement was acquired by means of the Washington assessment of student learning or by an alternative assessment.))~~

(4) Beginning with the graduating class of 2010, a student must meet the state standards in science in addition to the other content areas required under subsection (3) of this section on the Washington assessment of student learning or the objective alternative assessments in order to earn a certificate of academic achievement.

(5) The state board of education may not require the acquisition of the certificate of academic achievement for students in home-based instruction under chapter 28A.200 RCW, for students enrolled in private schools under chapter 28A.195 RCW, or for students satisfying the provisions of RCW 28A.155.045.

(6) A student may retain and use the highest result from each successfully completed content area of the high school assessment.

~~((Beginning with the graduating class of 2006, the highest scale score and level achieved in each content area on the high school Washington assessment of student learning shall be displayed on a student's transcript. In addition, beginning with the graduating class of 2008, each student shall receive a scholar's designation on his or her transcript for each content area in which the student achieves level four the first time the student takes that content area assessment.))~~

~~((8))~~ Beginning in 2006, school districts must make available to students the following options:

(a) To retake the Washington assessment of student learning up to four times in the content areas in which the student did not meet the state standards if the student is enrolled in a public school; or

(b) To retake the Washington assessment of student learning up to four times in the content areas in which the student did not meet the state standards if the student is enrolled in a high school completion program at a community or technical college. The superintendent of public instruction and the state board for community and technical colleges shall jointly identify means by which students in these programs can be assessed.

~~((9))~~ (8) Students who achieve the standard in a content area of the high school assessment but who wish to improve their results shall pay for retaking the assessment, using a uniform cost determined by the superintendent of public instruction.

~~((10))~~ (9) Subject to available funding, the superintendent shall pilot opportunities for retaking the high school assessment beginning in the 2004-05 school year. Beginning no later than September 2006, opportunities to retake the assessment at least twice a year shall be available to each school district.

~~((11))~~ (10)(a) The office of the superintendent of public instruction shall develop options for implementing objective alternative assessments, which may include an appeals process, for students to demonstrate achievement of the state academic standards. The objective alternative assessments shall be comparable in rigor to the skills and knowledge that the student must demonstrate on the Washington assessment of student learning and be objective in its determination of student achievement of the state standards. Before any objective alternative assessments in addition to those authorized in (b) of this subsection are used by a student to demonstrate that the student has met the state standards in a content area required to obtain a certificate, the legislature shall formally approve the use of any objective alternative assessments through the omnibus appropriations act or by statute or concurrent resolution.

~~((12))~~ (b) After formal approval by the legislature of the score required for this purpose, a student's score on the mathematics portion of the preliminary scholastic assessment test (PSAT), the scholastic assessment test (SAT), or the American college test (ACT) may be used as an objective alternative assessment under this section for demonstrating that a student has met the mathematics standards for the certificate of academic achievement. The state board of education shall identify the scores students must achieve on the mathematics portion of the PSAT, SAT, or ACT to meet the state standard for mathematics and shall submit the proposed scores, along with any subsequent revisions, to the legislature for formal approval through the appropriations act or by statute or concurrent resolution. The state board of education shall submit the first proposed scores to the legislature by December 1, 2006.

(11) By December 15, 2004, the house of representatives and senate education committees shall obtain information and conclusions from recognized, independent, national assessment experts regarding the validity and reliability of the high school Washington assessment of student learning for making individual student high school graduation determinations.

~~((13))~~ (12) To help assure continued progress in academic achievement as a foundation for high school graduation and to assure that students are on track for high school graduation, each school district shall prepare plans for students as provided in this subsection ~~((13))~~ (12).

(a) Student learning plans are required for eighth through twelfth grade students who were not successful on any or all of the content areas of the Washington assessment for student learning during the previous school year. The plan shall include the courses, competencies, and other steps needed to be taken by the student to meet state academic standards and stay on track for graduation. This requirement shall be phased in as follows:

(i) Beginning no later than the 2004-05 school year ninth grade students as described in this subsection ~~((13))~~ (12)(a) shall have a plan.

(ii) Beginning no later than the 2005-06 school year and every year thereafter eighth grade students as described in this subsection ~~((13))~~ (12)(a) shall have a plan.

(iii) The parent or guardian shall be notified, preferably through a parent conference, of the student's results on the Washington assessment of student learning, actions the school intends to take to improve the student's skills in any content area in which the student was unsuccessful, strategies to help them improve their student's skills, and the content of the student's plan.

(iv) Progress made on the student plan shall be reported to the student's parents or guardian at least annually and adjustments to the plan made as necessary.

(b) Beginning with the 2005-06 school year and every year thereafter, all fifth grade students who were not successful in one or more of the content areas of the fourth grade Washington assessment of student learning shall have a student learning plan.

(i) The parent or guardian of a student described in this subsection (~~((13))~~) (12)(b) shall be notified, preferably through a parent conference, of the student's results on the Washington assessment of student learning, actions the school intends to take to improve the student's skills in any content area in which the student was unsuccessful, and provide strategies to help them improve their student's skills.

(ii) Progress made on the student plan shall be reported to the student's parents or guardian at least annually and adjustments to the plan made as necessary.

**NEW SECTION. Sec. 5.** A new section is added to chapter 28A.655 RCW to read as follows:

Subject to the availability of funds appropriated for this purpose, school districts shall reimburse students for the cost of taking the tests in RCW 28A.655.061(10)(b) when the students take the tests for the purpose of using the mathematics results as an objective alternative assessment.

**Sec. 6.** RCW 28A.305.220 and 2004 c 19 s 108 are each amended to read as follows:

(1) The state board of education shall develop for use by all public school districts a standardized high school transcript. The state board of education shall establish clear definitions for the terms "credits" and "hours" so that school programs operating on the quarter, semester, or trimester system can be compared.

(2) The standardized high school transcript shall include ~~((the following information:~~

~~— (a) The highest scale score and level achieved in each content area on the high school Washington assessment of student learning or other high school measures successfully completed by the student as provided by RCW 28A.655.061 and 28A.155.045;~~

~~— (b) All scholar designations as provided by RCW 28A.655.061;~~  
~~— (c)) a notation of whether the student has earned a certificate of individual achievement or a certificate of academic achievement ((by means of the Washington assessment of student learning or by an alternative assessment)).~~

(3) Transcripts are important documents to students who will apply for admission to postsecondary institutions of higher education. Transcripts are also important to students who will seek employment upon or prior to graduation from high school. It is recognized that student transcripts may be the only record available to employers in their decision-making processes regarding prospective employees. The superintendent of public instruction shall require school districts to inform annually all high school students that prospective employers may request to see transcripts and that the prospective employee's decision to release transcripts can be an important part of the process of applying for employment.

**NEW SECTION. Sec. 7.** If specific funding for the purposes of this act and section 5 of this act, referencing this act and section 5 of this act by bill or chapter number and section number, is not provided by June 30, 2006, in the omnibus appropriations act, section 5 of this act is null and void."

Correct the title.

Signed by Representatives Quall, Chairman; Talcott, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; Curtis; Haigh; Hunter; Priest; Shabro and Tom.

MINORITY recommendation: Do not pass. Signed by Representatives P. Sullivan, Vice Chairman; McDermott; Santos and Wallace.

Referred to Committee on Appropriations.

February 21, 2006

ESSB 6501 Prime Sponsor, Senate Committee On Water, Energy & Environment: Creating the Washington bioenergy assistance program. Reported by Committee on Technology, Energy & Communications

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** The legislature finds that:

(1) Washington's dependence on energy supplied from outside the state and volatile energy markets makes our economy and citizens vulnerable to unpredictable and high energy prices;

(2) Washington's dependence on petroleum-based fuels increases energy costs for citizens and businesses;

(3) Experts tell us that the global oil shortage will only worsen, making the three dollars per gallon gasoline of the summer of 2005 seem affordable;

(4) Each year, citizens and businesses in Washington state spend nine billion dollars on gasoline and diesel, with those funds drained from the state economy;

(5) Diesel soot from diesel engines ranks as the highest toxic air pollutant in Washington, leading to hundreds of premature deaths and increasing rates of asthma and other lung-related diseases;

(6) The use of biodiesel results in significantly less air pollution than traditional diesel fuels and can help our citizens and businesses conserve energy;

(7) Improper disposal and treatment of organic waste from farms and livestock operations can have a significant negative impact on water quality;

(8) Washington has abundant supplies of organic wastes from farms that can be used for energy production and abundant farmland where crops could be grown to supplement or supplant petroleum-based fuels;

(9) Instead of leaving our economy at the mercy of global events, and the policies of foreign nations, Washington state should adopt a policy of energy independence;

(10) The energy freedom program is meant to lead Washington state towards energy independence;

(11) Producing more energy here means cleaner, renewable energy that includes, but is not limited to, biofuels, solar power, and wind power;

(12) The biofuels industry is a new and developing industry now limited by the availability of capital for construction of facilities for converting farm and forest products into energy and fuels; and

(13) For biofuels to be economically viable in Washington, it will be necessary to grow dedicated crops, construct crushers near farms, and build refineries to create fuel.

Therefore, the legislature finds it is in the public interest to reduce Washington's dependence on imported oil, expand renewable fuel production and use in Washington, conserve energy, improve use of renewable energy and energy efficiency measures, and promote sustainable rural economic development by creating new jobs and stimulating business and economic activity in local communities across Washington.

To accomplish this, the energy freedom program is established to stimulate strategic investment in facilities, infrastructure, technologies, and research and development that will advance Washington's move toward energy independence.

**NEW SECTION. Sec. 2.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "Board" means the energy freedom board.
- (2) "Department" means the department of community, trade, and economic development.
- (3) "Political subdivision" means any port district, county, city, town, special purpose district, and any other municipal corporations or quasi-municipal corporations in the state.

**NEW SECTION. Sec. 3.** (1) The energy freedom board is created to exercise the powers granted under this chapter.

(2) The board consists of thirteen members as follows:

- (a) One member shall be the director of the department of agriculture or the director's designated representative;
- (b) One member shall be the director of the department of community, trade, and economic development or the director's designated representative from the department's energy policy division;
- (c) Four of the members shall be appointed as follows: Two members from the house of representatives committee that has jurisdiction over energy issues, one from each of the two major caucuses, to be appointed by the speaker of the house of representatives; two members from the senate committee that has jurisdiction over energy issues, one from each of the two major caucuses, to be appointed by the president of the senate; and
- (d) Seven of the members shall be appointed by the governor: One recognized expert in renewable energy; one representative from Washington State University; one Washington state grower; one producer of alternative fuels; one public fleet manager; one public buildings manager; and one sustainable society advocate.

(3) The members appointed under subsection (2)(c) and (d) of this section must initially be appointed to terms as follows: Three members for two-year terms, four members for three-year terms, and four members for four-year terms which includes the chair. Thereafter, each succeeding term is four years. Appointees may be reapointed to serve more than one term.

(4) The governor must select one of the members to serve as the chair of the board. The members of the board shall elect one of their members to serve as vice chair.

(5) The department must provide staff support to the board.

(6) Members of the board receive no compensation but shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

**NEW SECTION. Sec. 4.** In addition to other applicable provisions of law pertaining to conflicts of interest of public officials, no board member, appointive or otherwise, may participate in any

decision on any board contract in which the board member has any interests, direct or indirect, with any entity that would be the recipient of any aid under this chapter.

**NEW SECTION. Sec. 5.** The board may:

- (1) Accept from any federal agency loans or grants for the planning or financing of any project and enter into agreements with such an agency concerning the loans or grants;
- (2) Accept any gifts, grants, or loan of funds, property, or financial or other aid in any form from any other source on any terms and conditions that are not in conflict with this chapter;
- (3) Adopt rules under chapter 34.05 RCW as necessary to carry out the purposes of this chapter; and
- (4) Perform all acts and functions as necessary or convenient to carry out the powers expressly granted or implied under this chapter.

**NEW SECTION. Sec. 6.** The board shall:

- (1) Establish a competitive process to solicit proposals for and prioritize project applications for potential funding;
- (2) Adopt rules governing project eligibility and evaluation criteria;
- (3) Establish a peer review committee to include board members, renewable energy specialists, energy conservation specialists, scientists, and individuals with specific recognized expertise. The peer review committee shall provide to the board an independent peer review of all grant proposals submitted by Washington public research institutions for the purposes specified in section 7(3) (a) and (c) of this act that are determined to be competitive for a grant award. The board shall review the findings of the peer review committee when making final grant allocation decisions;
- (4) Develop the prioritized list through open and public meetings;
- (5) Establish performance measures against which the program will be evaluated;
- (6) Aggressively seek federal and other grant moneys;
- (7) Report annually to the appropriate standing committees of the legislature on the implementation of this chapter. The report must include, but is not limited to: Information on the number of applications for financial assistance; the grant or loan amount awarded each project; a description of each project; the status of each funded project, including the agricultural and environmental benefits of each project, as well as the progress made by each project in creating jobs and moving towards energy independence; the documentation of nonstate funds to be used for each project; and progress against performance measures developed under this chapter. The first report must be submitted by December 31, 2006, to committees in the house of representatives and senate with jurisdiction over energy issues.

**NEW SECTION. Sec. 7.** (1) The board is authorized to make low-interest loans to political subdivisions of the state for the purposes of assisting political subdivisions in financing the cost of new and renewable energy and biofuel development projects and activities. A grant may also be authorized for purposes designated in this chapter, but only when, and to the extent that, a loan is not reasonably possible, given the limited resources of the political subdivision and the finding by the board that financial circumstances require grant assistance to enable the project to move forward. Up to ten percent of all financial assistance provided to political subdivisions by the board may consist of grants. Political subdivisions applying for loans and grants shall identify nonstate

matching funds available for the project, and shall specify deliverables to be achieved by proposed projects and activities, including evidence that the proposed project will result in a positive net energy output, if applicable.

(2) Applications for loans and grants must be made in the form and manner as the board may prescribe.

(3) The board may provide financial assistance for the following types of projects and activities including, but not limited to:

(a) Research and development of new and renewable energy and biofuel sources including but not limited to biomass and associated biofuel gases;

(b) Renewable energy and biofuel development infrastructure and facilities;

(c) Research and development to develop markets for alternative fuel byproducts; and

(d) Loans for small commercial energy audits and retrofits.

(4) Applications must be prioritized based on the following criteria:

(a) The extent to which the project will contribute to the establishment of a viable bioenergy production capacity in Washington;

(b) The benefits to Washington's agricultural producers;

(c) The extent to which the project will help conserve energy and reduce dependence on petroleum fuels and imported energy, either directly or indirectly;

(d) The extent to which the project will reduce air and water pollution, either directly or indirectly;

(e) The number and quality of jobs, as well as the economic benefits, created by the project;

(f) The extent to which the investment shows a direct link to commercialization either by indirectly supporting the commercialization of bioenergy intellectual property into a commercialized project, or by directly assisting in moving a commercially viable project into the marketplace for use by Washington state citizens; and

(g) The extent to which private funds have been leveraged.

(5) The board may approve an application that results in loans of up to five million dollars. In no circumstances shall a loan approved under this section constitute more than fifty percent of total project funding.

(6) Financial assistance awarded to political subdivisions is one time only and may not be used for ongoing operational expenses.

(7) Before any financial assistance application is approved, the political subdivision must demonstrate to the board that no other timely source of funding is available to it at costs reasonably similar to financing available from the board.

(8) A responsible official of the political subdivision must be present during board deliberations and provide information that the board requests.

(9) The board may not approve an application if it fails to provide for adequate reporting or disclosure of financial and employment data to the board. The board may require an annual or other periodic audit of the project books.

(10) The board may defer loan repayment for up to twenty-four months or until the projects start to receive revenue from operations, whichever is sooner.

(11) Upon receiving financial assistance, a political subdivision must enter into appropriate contracts with any industry partners that may be involved in the use of the facilities, infrastructure, or equipment.

(12) Upon written notice to the political subdivision, the board may suspend or cancel its loans or grants if any of the following occur:

(a) The political subdivision fails to make satisfactory and reasonable progress to complete the project, or the board concludes the political subdivision will be unable to complete the project or any portion of it; or

(b) The political subdivision or industry partners have made misrepresentations in any information furnished to the board in connection with the project.

(13) In the event that any portion of the loan or grant has been paid to the political subdivision under this section at the time of breach, or failure of the political subdivision to satisfactorily perform, the board may require that the full amount of the loan or grant, or a portion thereof, be repaid within a period specified by the board.

(14) The board is authorized to award grants to Washington public research institutions for the purposes specified in subsection (3)(a) and (c) of this section.

**NEW SECTION. Sec. 8.** The energy freedom account is created in the state treasury. All receipts from appropriations made to the account, proceeds from other lawful sources, and loan payments of principal and interest derived from loans made under this chapter must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for loans and grants to political subdivisions for renewable energy and biofuel development projects and activities authorized under this chapter.

**NEW SECTION. Sec. 9.** In accordance with Article VIII, sections 5 and 7 of the state Constitution, the credit of the state and counties, cities, towns, and other municipal corporations shall not in any manner be given or loaned to any individual, association, company, or corporation in the administration of the grant and loan program established in this chapter.

**Sec. 10.** RCW 82.16.020 and 1996 c 150 s 2 are each amended to read as follows:

(1) There is levied and there shall be collected from every person a tax for the act or privilege of engaging within this state in any one or more of the businesses herein mentioned. The tax shall be equal to the gross income of the business, multiplied by the rate set out after the business, as follows:

(a) Express, sewerage collection, and telegraph businesses: Three and six-tenths percent;

(b) Light and power business: Three and sixty-two one-hundredths percent;

(c) Gas distribution business: Three and six-tenths percent;

(d) Urban transportation business: Six-tenths of one percent;

(e) Vessels under sixty-five feet in length, except tugboats, operating upon the waters within the state: Six-tenths of one percent;

(f) Motor transportation, railroad, railroad car, and tugboat businesses, and all public service businesses other than ones mentioned above: One and eight-tenths of one percent;

(g) Water distribution business: Four and seven-tenths percent.

(2) An additional tax is imposed equal to the rate specified in RCW 82.02.030 multiplied by the tax payable under subsection (1) of this section.

(3) Twenty percent of the moneys collected under subsection (1) of this section on water distribution businesses and sixty percent of the moneys collected under subsection (1) of this section on sewerage

collection businesses shall be deposited in the public works assistance account created in RCW 43.155.050.

(4) Of amounts deposited into the general fund pursuant to subsection (1) of this section, the legislature may authorize a transfer of up to twenty-five million dollars for the fiscal year ending June 30, 2006, into the energy freedom account created in section 8 of this act.

NEW SECTION. Sec. 11. This act takes effect July 1, 2006.

NEW SECTION. Sec. 12. This act expires June 30, 2016.

NEW SECTION. Sec. 13. Any moneys in the energy freedom account on June 30, 2016, and all payments received after that date must be deposited in the state general fund.

NEW SECTION. Sec. 14. Sections 1 through 9 and 13 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. Sec. 15. If a transfer from the general fund to the energy freedom account created in section 8 of this act for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2006, in the omnibus appropriations act, this act is null and void."

Correct the title.

Signed by Representatives Morris, Chairman; Kilmer, Vice Chairman; Haler, Assistant Ranking Minority Member; Ericks; Hankins; Hudgins; Nixon; P. Sullivan; Takko and Wallace.

Passed to Committee on Rules for second reading.

February 21, 2006

SSB 6570 Prime Sponsor, Senate Committee On Financial Institutions, Housing & Consumer Protection: Requiring lenders to consider retail installment contracts for the purchase of motor vehicles. Reported by Committee on Financial Institutions & Insurance

MAJORITY recommendation: Do pass. Signed by Representatives Kirby, Chairman; Ericks, Vice Chairman; Roach, Ranking Minority Member; Tom, Assistant Ranking Minority Member; Newhouse; O'Brien; Santos; Serben; Simpson; Strow and Williams.

Passed to Committee on Rules for second reading.

February 22, 2006

SSB 6618 Prime Sponsor, Senate Committee On Early Learning, K-12 & Higher Education: Requiring a study to explore options to augment the current educational assessment system. Reported by Committee on Education

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. In 1993 the Washington legislature laid out a vision of a revitalized school system in Washington state. Envisioned was a comprehensive assessment system committed to high academic standards for all of its students. The Washington assessment of student learning was created as a tool to measure whether students were reaching the high academic standards. The legislature continues to support this assessment as a part of a comprehensive assessment system. Recently some alternative assessments have been developed. The legislature finds that there is interest in exploring why some students have not been able to meet the state standards and whether additional alternative methods, options, procedures, or performance measures could be used to augment the current system.

NEW SECTION. Sec. 2. (1) The Washington state institute for public policy shall conduct a study to explore options to augment the current system of assessments to provide additional opportunities for students to demonstrate that they have met the state learning standards. The study is limited to:

(a) A review and statistical analysis of Washington assessment of student learning data to increase understanding of the students who did not meet the standard in one or more areas of assessment, identify the characteristics of those students, and identify possible barriers to student success or possible causes of the lack of success;

(b) A review and identification of additional alternative assessment options that could be used to augment the current assessment system. In identifying the alternative assessment options, the institute shall include a review of alternative assessments used in other states as well as those that have been developed and those that have been proposed in Washington. The institute shall examine the use of national tests as well as career skill certification exams in their review of possible alternative assessment options. For each of the identified alternative assessment options, the study shall at a minimum include:

(i) An estimation of the costs for implementation;

(ii) A review of the cultural appropriateness;

(iii) Whether the alternative assessment reliably measures a student's ability to meet state learning standards in one or more of the required content areas;

(iv) Whether the alternative assessment is in compliance with RCW 28A.655.061(1); and

(v) Any challenges to implementation for each of the identified alternative assessment options, including any legislative action necessary for implementation;

(c) A review and identification of additional alternative methods, procedures, or combinations of performance measures, including those proposed in Washington, to assess whether students have met the state learning standards. For each of the identified alternative methods, procedures, or performance measures, the study shall at a minimum include:

(i) An estimation of the costs for implementation;

(ii) A review of the cultural appropriateness;

(iii) Whether the method, procedure, or performance measure reliably measures a student's ability to meet state learning standards in one or more of the required content areas;

(iv) Whether the method, procedure, or performance measure is in compliance with RCW 28A.655.061(1);

(v) Any challenges to implementation for each of the identified methods, procedures, or performance measures, including any legislative action necessary for implementation; and

(vi) Whether the procedures or methods could be standardized across the state.

(2) The Washington state institute for public policy shall provide an interim report to the legislature by December 1, 2006, and a final report by December 1, 2007. The interim report shall include a preliminary statistical analysis of the information required under subsection (1)(a) of this section and shall include recommendations on at least two alternative assessment options, alternative methods, procedures, or performance measures that were reviewed under subsection (1)(b) and (c) of this section. The final study shall include suggestions for any follow-up studies that the legislature could undertake to continue to build on the information obtained in this study.

(3) The institute shall consult, at a minimum, with nationally recognized experts on assessments including representatives from nationally recognized centers for multicultural education, representatives of the office of the superintendent of public instruction, educators, counselors, parents, the business community, classified employees, career and technical organizations, representatives of federally recognized Washington tribes, representatives of cultural, linguistic, and racial minority groups, and the community of persons with disabilities in developing the initial list of possible alternative assessment options, alternative assessment methods, procedures, or performance measures to be reviewed under subsection (1)(b) and (c) of this section.

(4) The office of the superintendent of public instruction and school districts shall provide the institute with access to all necessary data to conduct the studies in this act.

NEW SECTION. **Sec. 3.** This act shall be known as the Booth Gardner Act."

Signed by Representatives Quall, Chairman; P. Sullivan, Vice Chairman; Talcott, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; Curtis; Haigh; Hunter; McDermott; Priest; Santos; Shabro; Tom and Wallace.

Referred to Committee on Appropriations.

February 22, 2006

SSB 6625 Prime Sponsor, Senate Committee On Natural Resources, Ocean & Recreation: Concerning the management of public lands. Reported by Committee on Natural Resources, Ecology & Parks

MAJORITY recommendation: Do pass. Signed by Representatives B. Sullivan, Chairman; Upthegrove, Vice Chairman; Buck, Ranking Minority Member; Kretz, Assistant Ranking Minority Member; Blake; Chandler; Dickerson; Hunt; Kagi and Orcutt.

Referred to Committee on Capital Budget.

February 21, 2006

SB 6658 Prime Sponsor, Senator Thibaudeau: Revising experience requirements for licensed mental health counselors. Reported by Committee on Health Care

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander; Appleton; Bailey; Clibborn; Condotta; Green; Lantz; Moeller; Morrell; Schual-Berke and Skinner.

Passed to Committee on Rules for second reading.

February 21, 2006

SJM 8039 Prime Sponsor, Senator Brown: Requesting changes to the Medicare Modernization Act. Reported by Committee on Health Care

MAJORITY recommendation: Do pass. Signed by Representatives Cody, Chairman; Campbell, Vice Chairman; Appleton; Clibborn; Green; Lantz; Moeller; Morrell and Schual-Berke.

MINORITY recommendation: Do not pass. Signed by Representatives Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander; Bailey; Condotta and Skinner.

Passed to Committee on Rules for second reading.

There being no objection, the bills and memorial listed on the day's committee reports sheet under the fifth order of business were referred to the committees so designated with the exception of ENGROSSED SUBSTITUTE SENATE BILL NO. 6384 and ENGROSSED SUBSTITUTE SENATE BILL NO. 6386 which are placed on second reading.

The Speaker (Representative Morris presiding) called upon Representative Hudgins to preside.

There being no objection, the House advanced to the eleventh order of business.

There being no objection, the House adjourned until 10:00 a.m., February 24, 2006, the 47th Day of the Regular Session.

FRANK CHOPP, Speaker

RICHARD NAFZIGER, Chief Clerk

3315 Introduction & 1st Reading ..... 1

3316 Introduction & 1st Reading ..... 2

4706 Recognizing Shaken Baby Syndrome

    Introduced ..... 1

    Adopted ..... 1

5048 Committee Report ..... 2

5319 Introduction & 1st Reading ..... 2

    Messages ..... 1

5385-S Committee Report ..... 2

6187 Committee Report ..... 4

6188-S Committee Report ..... 4

6234-S Committee Report ..... 4

6244-S Committee Report ..... 8

6255-S Committee Report ..... 9

6379 Introduction & 1st Reading ..... 2

    Messages ..... 1

6384-S Committee Report ..... 10, 153

6386-S Committee Report ..... 47, 153

6459-S2 Committee Report ..... 146

6463 Committee Report ..... 146

6475-S Committee Report ..... 146

6501-S Committee Report ..... 149

6570-S Committee Report ..... 152

6618-S Committee Report ..... 152

6625-S Committee Report ..... 153

6658 Committee Report ..... 153

6680 Introduction & 1st Reading ..... 2

    Messages ..... 1

6686-S Introduction & 1st Reading ..... 2

    Messages ..... 1

6787-S Introduction & 1st Reading ..... 2

    Messages ..... 1

8039

Committee Report ..... 153

Draft